Vol. 5, No. 5
November/December 1996
$9.00

FREE
research by fax!
See PolicyFax insert for details.

Intellectual Ammunition

Potshots

The nice part about being a pessimist is that you are constantly being either proven right or pleasantly surprised.

—George F. Will

Character consists of what you do on the third and fourth tries.

—James A. Michener

Character is doing what's right when nobody's looking.

—J.C. Watts

When a man says he approves of something in principle, it means he hasn't the slightest intention of carrying it out in practice.

—Otto von Bismarck

Freedom is being able to live with the consequences of your decisions.

—James X. Mullen

It is easier to love humanity as a whole than to love one's neighbor.

—Eric Hoffer

Words are plentiful, but deeds are precious.

—Lech Walesa

If you never budge, don't expect a push.

—Malcolm S. Forbes

The older I grow the more I distrust the familiar doctrine that age brings wisdom.

—H.L. Mencken

The March toward Educational Choice

by Clint Bolick

The school choice phenomenon that is being debated around the country is really the fruit of a little revolution that began in 1990, in Milwaukee, when a very courageous state legislator named Polly Williams joined forces with Governor Tommy Thompson to enact the nation's first school choice program. It applied only to 1 percent of the children in the Milwaukee public schools; it applied only to low-income children; it allowed them to attend only nonsectarian schools; and it allowed students to use only about 60 percent of the money spent on financing their public education, or roughly $2,500. That's certainly a very modest experiment considering all the time and effort that had been spent debating the issue.

Yet even though it was a little revolution, you would have thought an atomic bomb had been detonated in the city of Milwaukee, judging by the education establishment's frenzied, hysterical reaction. They tried many things to prevent this program from moving forward, including a blizzard of regulations designed to sentence the program to death by bureaucratic strangulation. They also filed a lawsuit, and I had the honor of defending the school choice program in court.

The forces arrayed against school choice are powerful, but Polly Williams taught me a lot about how to win a David versus Goliath battle. She discovered that in Milwaukee, like in most large cities around the country, a large percentage—in Milwaukee's case, about 40 percent—of the public school teachers send their own children to private schools. These are the most informed consumers of public education, and 40 percent of them send their children to private schools, yet they file a lawsuit saying they don't want other kids to go to private schools.

So Polly Williams announced that she was going to introduce legislation that would require public school teachers, as a condition of employment, to send their children to public schools. She received death threats on her answering machine. Her effort underscored the rampant hypocrisy among opponents of this issue.

With the Milwaukee school choice program, two things happened that had never happened before in the history of American public education. First, the power over basic educational decisions was transferred from

continued on page 3

In This Issue

Crime 4
Education 5
Environment 6
Health Care 7
Law 8
Privatization 10
Regulation 11
Taxes 12
Uncovered 13
Welfare 14
Point of View 15
New Books 17
Excerpt 18
Contacts 20

a bimonthly publication of The Heartland Institute

JOIN

The Heartland Institute

Get a **FREE**
Heartland 1997
Daily Planner

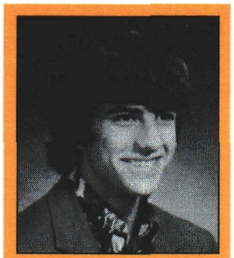
This handsome pocket calendar will keep you organized all year. With fine gold edging, a mileage table, and even full-color road maps, it's yours free when you become a Heartland Institute Member.

Here's what else you'll get:

- **Free** books, *Heartland Policy Studies*, and *Heartland Perspectives*.
- Special invitations to events in the Midwest and across the country, including exclusive Members-only receptions.
- *The Heartlander*, the monthly newsletter that takes you "inside" The Heartland Institute.
- Annual Memberships just $29!

Send your check or money order to The Heartland Institute at the address below. Or have your Visa, MasterCard, or American Express card handy and call 847/202-3060.

The Heartland Institute
Attn: Member Services
800 East Northwest Highway
Suite 1080
Palatine, Illinois 60067
847/202-3060
e-mail: think@heartland.org



Joseph L. Bast (1976)
president

News from the Heartland

by Joseph L. Bast
Publisher

Looking to Milwaukee

Milwaukee, Wisconsin, the home of the nation's first education voucher program, is the site of a national battle between choice proponents and opponents. Since 1990 Milwaukee has offered school vouchers amounting to about $2,500 to a portion of the city's low-income children. Last year a bipartisan coalition voted to dramatically expand the program—increasing by ten times the number of eligible students and, for the first time, allowing religious schools to participate.

School-choice opponents have challenged the legality of voucher programs, particularly those that make religious schools an option for students. Opponents worry that such a provision violates the constitutional separation of church and state. Clint Bolick, and the organization he works for, the Institute for Justice, defended the city of Milwaukee in 1990 when it was under legal attack, and he continues to be a major player in the fight to make school choice programs legal.

Bolick's cover article in this issue of *Intellectual Ammunition* focuses on lessons learned from Milwaukee, reasons why the program has been so successful, and answers to questions about the legality of school choice programs. Bolick is optimistic that the programs will pass constitutional scrutiny, and that they will provide children trapped in poor schools their first real chance at a quality education.

PolicyFax makes your life easier

How would you like instant access to the very best public policy research from the nation's leading think tanks and publications? Through *PolicyFax*, The Heartland Institute's twenty-four-hour, seven-days-a week policy research service, you can get the full text of over three thousand timely documents sent instantly to your fax machine. Best of all, *PolicyFax* is free for elected officials and journalists. (For other users, there is a $5 charge per document ordered).

PolicyFax Update, a regular feature found inside each issue of *Intellectual Ammunition*, reviews the latest material available on the service. Any of these documents—as well as documents appearing in previous editions of *PolicyFax Update*—can be sent immediately to your fax machine, by calling **847/202-4888** and following the recorded instructions. For more information about the service, as well as how to get your very own *PolicyFax* account number, turn to page 2 of *PolicyFax Update*.

And stay tuned for *PolicyFax* '97. This 240-page directory, to be published by The Heartland Institute early next year, will be the most comprehensive guide to the best public policy research available anywhere.

We're on the Web

If you have Internet access, please visit the World Wide Web site of The Heartland Institute (**http://www.heartland.org**). It's a perfect complement to the information contained in *Intellectual Ammunition*. You'll even find back issues of *IA* there.

Heartland's award-winning Web site features the full text of the institute's latest papers—including recent *Policy Studies*, shorter *Perspectives*, and a comprehensive catalog of documents available through *PolicyFax*. And dozens of links to the Web sites of other research institutions help make surfing the Web a breeze. ia

Intellectual Ammunition (ISSN 1077-8861) is published bimonthly by The Heartland Institute, a nonprofit, nonpartisan research and education organization. Nothing in *Intellectual Ammunition* should be construed as necessarily reflecting the views of The Heartland Institute or as an attempt to aid or hinder the passage of any legislation. Reprint permission is granted, provided sufficient credit is given to The Heartland Institute. Annual subscription with Heartland membership $49.00; single issue $9.00. POSTMASTER: Send address changes to The Heartland Institute, 800 East Northwest Highway, Suite 1080, Palatine, IL 60067-6516; telephone 847/202-3060, fax 847/202-9799.

Publisher: Joseph L. Bast ◆ **Editor:** Lee Kessler ◆ **Art Director:** Matthew J. Nutting

Contributing Editors: *Crime* Morgan Reynolds, National Center for Policy Analysis; *Education* Joseph Walsh, Center for Rebuilding America's Schools; *Environment* Jonathan H. Adler, Competitive Enterprise Institute; *Health Care* Michael D. Tanner, Cato Institute; *Law* John E. Kramer, Institute for Justice; *Privatization* William Eggers, Reason Foundation; *Regulation* Murray Weidenbaum, Center for the Study of American Business; *Taxes* Stephen Gold, Tax Foundation; *Uncovered* Robert V. Pambianco, Capital Research Center; *Welfare* Robert Rector, The Heritage Foundation.

continued from page 1

bureaucrats to parents. Second, schools were forced to compete for low-income children and the money that they command.

Low-income children have no school choice in the United States. They can't afford private schools, so they're forced to accept whatever their public school district has to offer. They are captive consumers, and they don't have very much clout. But suddenly these little kids were given their share of education dollars and the opportunity, if they were not satisfied with their current school, to walk out the door and take their money with them. And, boy, did that have an impact on people who did not previously worry about what was best for those children.

The Milwaukee public schools immediately started sending survey-takers to homes to ask families what could be done to keep them happy and to keep them in the public schools. The entire issue has sparked a reform effort never before seen in the Milwaukee public schools. For the children who have left their public schools, it has been a good thing. And for the children who have not left, it also promises to be a very good thing.

Three signs of "staggering success"

There are three indicators of success in Milwaukee that I think are absolutely staggering.

Number one: Milwaukee public schools have about a 50 percent graduation rate. For kids from families on public assistance, the graduation rate is 15 percent. The graduation rate from the private schools that are participating in the school choice program is in excess of 90 percent.

The second indicator of success is *parental involvement. In public schools, it is* difficult and frustrating for parents to get involved in their kids' education, and so they often don't do it. In private schools, parental participation is generally required, in some form, whether it's student-teacher meetings or fundraising or some other form of participation. It's a requirement that parents be involved in their children's education.

Third and finally, and this is breathtaking, parental satisfaction is off the charts. I would venture that there is no other large city in the United States where low-income parents are as happy with the quality of education their children are receiving as are the parents in the Milwaukee choice program.

The proof of the success of the school choice program is shown by what happened in Wisconsin last year. As a result of the bipartisan effort led by Polly Williams, which included Governor Thompson, Democratic Milwaukee Mayor John Norquist, the business community, and 90 percent of Milwaukee's African-American community, the Wisconsin legislature voted to expand the program dramatically. Lawmakers increased by ten times the number of students who could participate and decided to include religious schools *among the range of options, increasing the* number of participating schools from about fifteen to about one hundred. The American Civil Liberties Union went to court. And again the teachers' union went to court, and they convinced the state Supreme Court to enjoin the expansion of the program pending the outcome of the litigation.

Legal questions

The ACLU contends that the moment a dollar passes the threshold of a religious school, no matter who is directing that dollar, if it is public money, it is unconstitutional. Well, I don't think that is going to prove to be the case. I am very confident that when one of these cases reaches the United States Supreme Court the constitutional cloud will be removed from school choice.

I would venture that there is no other large city in the United States where low-income parents are as happy with the quality of education their children are receiving as are the parents in the Milwaukee choice program.

First and foremost, the reason I'm optimistic is the language of the Constitution itself. People talk about separation of church and state. The First Amendment says Congress shall make no law respecting an establishment of religion. Opponents say school choice establishes religion, but it actually assists parents in choosing the school that is best for their son or daughter, whether it is public or religious. In the last decade and some, the U.S. Supreme Court has demonstrated that it understands this commonsense difference.

Most recently, at the University of Virginia, funding from student fees for a religious publication was attacked as an establishment of religion. The court decided against the claimants, which has given us special optimism.

You might immediately say, "Wait a minute, that's money going directly from the state to a religious publication. They are actually *funding a religious publication." But for the* first time, a majority of the Supreme Court—five members—said that's O.K. as long as funding is also provided for nonreligious publications. The court embraced the neutrality principle. The extra nice thing about the decision, I might add, is that even the four dissenting justices seem to suggest that they would vote to uphold a well-constructed program of school choice.

I believe that the opposition really does not want these cases to go to the U.S. Supreme Court. They want them to be decided on state constitutional grounds so that we don't get a case up to the Supreme Court. But we are going to fight very hard to make sure this issue is resolved. And the prognosis also is good in the state courts.

For instance, the Minnesota Supreme Court and other Minnesota courts have upheld the constitutionality of a program that allows high school juniors and seniors to attend Minnesota colleges, including religious colleges, for credit. The courts upheld the program precisely because the aid is indirect, and not a direct subsidy to the religious school.

So, the prognosis is good. Will we have setbacks along the way? I hope not, but the answer to that is almost inevitably yes. But I do believe that the legal issue does not present a viable obstacle to a public policy experiment that has so much going for it. I believe that school choice takes us a major step toward fulfilling the promise of *Brown v. Board of Education* in 1954. That is the promise of giving kids who need a good education the most a real shot at attaining it.

● ● ● ●

Clint Bolick is vice president for litigation at the Institute for Justice. This article is adapted from remarks made on February 20, 1996, at a forum sponsored by the Minneapolis-based Center of the American Experiment.

Crime

Abolish the Juvenile Justice System?

Morgan Reynolds

Morgan Reynolds is director of the Criminal Justice Center at the National Center for Policy Analysis.

Juvenile crime is a serious problem. The facts are grim: the number of juvenile murderers has tripled to 3,100 since 1984, and 125,000 youths are charged each year with a serious violent crime. One person in five arrested for a violent crime is seventeen years old or less, although kids ages five to seventeen represent only 15.5 percent of the population.

The only good news lately is that the arrest rate for juvenile violent crimes dropped 2.9 percent last year. The bad news, however, is that over the next nine years the population of males ages fourteen to twenty-four will grow by 1.8 million. Judging from the past, the most vicious 7 percent of those will commit most youthful crimes of violence, implying an expansion of 125,000 criminals over the next nine years.

What causes crime? We don't need a lot of sociological mumbo-jumbo to answer this question. The guilty criminal does! He (93 percent of offenders are male) is a free moral agent who, confronted with a choice between right and wrong, chooses to do wrong, even if only for a brief period in his life. He refuses to respect the rights of others to be secure in their lives and possessions.

The juvenile justice system is founded on false premises because it intends to shield youths from the consequences of their own actions.

The causes of our juvenile crime problem are twofold: 1) more youths than ever are effectively growing up as barbarians, failing to adopt the minimum ethics required for peaceful cooperation, and 2) crime "pays" for too many youths—they usually pay a low price even when caught.

The way to solve America's juvenile crime problem is to rebuild internal restraints, decentralize and pare back the welfare state, increase competition and choice in schools, and strengthen the family and private-sector control generally. It would be nice if "prevention" remedies could do the whole job, but expecting that would be naive. As one Texas judge put it, "A half-grow'd rattlesnake is about as dangerous as a full-grow'd one." The price of crime must be raised.

The primary obstacle to such reform is the juvenile justice system. Virtually everyone except those employed in it recognizes its failure. The system is founded on false premises because it intends to shield youths from the consequences of their own actions.

The first juvenile court was created in Chicago in 1899. The idea quickly spread across the nation, promoted by the same Progressive movement that earlier had pushed such reforms as rehabilitation, probation, parole, and the indeterminate sentence. Individualized treatment by social workers and other experts devoted to the child's "best interest" became the new elixir.

What causes crime? We don't need a lot of sociological mumbo-jumbo to answer this question. The guilty criminal does!

Besides displacing the guidance of parents, church, and community, such an approach violates the fundamental principles of justice. Youth shouldn't be an excuse. As Judge Ralph Adam Fine of Wisconsin says, "We keep our hands out of a flame because it hurt the very first time (not the second, fifth, or tenth time) we touched fire." Yet the juvenile courts still handle 1.4 million delinquency cases each year, including 100,000 serious violent crimes.

The principles of justice are symbolized by the blindfold, balance scales, and sword of Justitia. One system with equal justice for all—not separate systems for different groups—serves us best. Youth can still serve as a mitigating circumstance in sentencing and separate correctional facilities may continue. But asked whether juveniles convicted of their second or third crimes should be given the same punishment as adults, 83 percent of those surveyed say, "Yes."

Rules operate through the expectations they create. They must be tough, fair and apply to all, free of arbitrariness, privilege, and discrimination. But what do we get from Washington? One year it's midnight basketball, the next it's curfews. All the more reason to rely on a decentralized approach. State and local governments have been toughening their treatment of young criminals. The logical end of these new measures is to abolish the welfare approach to young criminals in favor of justice.

Available on *PolicyFax*

Juvenile Justice Requires Juvenile Responsibility

The best way to increase juvenile justice is to raise the costs of criminal behavior. *(Mackinac Center for Public Policy, 1996, 2 pp.)*

Call 847/202-4888
Order document #4840101

Education

School Choice War Heats Up

Joseph Walsh

Joseph Walsh is executive director of the Center for Rebuilding America's Schools.

As of this writing, the presidential race between President Clinton and Bob Dole is in the home stretch, and education reform is promising to be a major campaign issue.

In an effort to build support for his candidacy, Dole has proposed a $5 billion plan that would allow low- and middle-income families to select a public or private school for their children. The Dole proposal would provide $1,000 per elementary school child and $1,500 for each high school student. The money would go directly to the school of a family's choice.

> *After three or four years in the program, choice students scored between three and five percentage points higher than the control group on reading, and between five and twelve points higher on math.*

"The federal government should be giving fewer orders and offering more options," *said Dole in a speech delivered in Milwaukee* to students and parents.

The $2.5 billion, four-year program would be matched dollar-for-dollar by participating states, which would set the income level for eligibility.

Good news from Milwaukee . . .

An August study from Harvard University suggests that the Milwaukee school voucher program is working. Paul Peterson of Harvard's Kennedy School of Government analyzed test score data from Milwaukee voucher recipients and found significant academic gains for choice students.

Peterson found that after three or four years in the program, choice students scored between three and five percentage points higher than the control group on reading, and between five and twelve points higher on math. The gap between minority and non-minority test scores closed by between one-third and more than one-half.

The study found that "more extensive choice plans deserve far more serious consideration than they have generally received." If Peterson's analysis is correct, we may be one step closer to making that vision a reality.

. . . but bad news from Chicago

Despite five years of effort, Chicago's public high schools have flunked school reform, according to a survey of students by the Consortium on Chicago School Research. Older students are more likely than younger ones to skip school, ignore homework, fail courses, and drop out of school entirely.

According to a July 25 *Chicago Sun-Times* article, the study found that more than half of tenth-graders are absent six weeks out of the school year. Such poor attendance usually means poor grades: more than half of tenth-graders fail one or more major subjects. Fifty-seven percent of eighth- and tenth-graders reported spending an hour or less on math homework each week

The consortium surveyed thirty-nine thousand sixth-, eighth-, and tenth-grade students from 316 elementary and high schools, examined student grade records, and visited schools.

New research

A new study titled "Public Funding and Private Schooling across Countries" answers the important question of whether private schools would continue to outperform public schools even after a voucher system is in place. The study by University of Kentucky professor Eugenia Froedge Toma was published in the April 1996 edition of the *Journal of Law and Economics*.

The study compares student achievement in mathematics in public and private schools in five different countries: Belgium, France, New Zealand, Ontario, and the United States. After controlling for individual student characteristics, school characteristics, and characteristics of peers in the schools, Toma finds that private schools outscore public schools even when the private schools are publically funded by vouchers. Toma warns, however, that "government restrictions on private schools' decision-making powers can negate the superior performance of private schools."

> *More than half of Chicago tenth-graders are absent six weeks out of the school year.*

If Toma is correct, the implications for school choice programs here at home are clear. School vouchers can indeed improve student achievement. But educational quality may suffer if government expands its regulatory authority over private schools.

Available on *PolicyFax*

Give the Power Back to the Parents
Polly Williams, an African-American Democratic legislator from Milwaukee, speaks about the school voucher program she pioneered. *(Independence Institute, 1992, 8 pp.)*

Call 847/202-4888
Order document #2184401

Environment

What Americans Think about the Environment

Jonathan H. Adler

Jonathan H. Adler is director of environmental studies at the Competitive Enterprise Institute.

Numerous opinion surveys have documented widespread public support for environmental protection. Polls routinely find that over 70 percent of Americans characterize themselves as environmentalists and seek stronger environmental protections. To most politicians and journalists, that suggests that Americans want more regulation. Yet polls also show that Americans are skeptical of federal power. What do people want?

To test the hypothesis that there is broad, untapped support for decentralized, market-oriented environmental policies, the Competitive Enterprise Institute commissioned *the polling company* to poll one thousand registered voters nationwide. The poll was administered between June 29 and July 2 and has a margin of error of +/- 3.1 percent at the 95 percent confidence level.

Among the more significant generalizations about public opinion that can be made from the poll's results are the following.

Most Americans support environmental protection, but they are not activists. Eighty percent of respondents consider themselves either "active environmentalists" or "concerned about the environment but not active," opting for the latter description by a margin of three-to-one. Moreover, few Americans rate environmental protection as their top concern. Indeed, fewer than 5 percent of respondents identified an environmental concern when asked to identify "the single most important problem facing the country."

Most Americans support a greater role for state and local governments in environmental policy, and they believe that state and local governments are better able to address most environmental concerns. In particular:

- 65 percent of those surveyed believe that state or local government should have primary responsibility for protecting water quality in rivers, lakes, and streams.
- 77 percent of those surveyed believe that state or local government should have primary responsibility for maintaining and improving drinking water quality.
- 72 percent of those surveyed believe that state and local governments should determine what air pollution control measures are used.
- Only 28 percent of those surveyed support the imposition of unfunded mandates on state and local governments to ensure environmental protection.

Most Americans support private property rights and prefer environmental policies that do not infringe upon the rights of landowners:

- 64 percent of those surveyed support compensating landowners when environmental regulations prevent them from using their property.
- 51 percent of those surveyed believe that environmental protection and the protection of private property are compatible.
- 49 percent of those surveyed (a plurality) support a non-regulatory, incentive-based approach to endangered species conservation.
- 45 percent of those surveyed (a plurality) support a non-regulatory, incentive-based approach to wetlands conservation.

Most Americans support commonsense reforms of regulatory policy by increasing the level of accountability within the regulatory process and controlling regulatory costs. In particular:

- 68 percent of those surveyed support creating a "regulatory budget" to set limits on the cost of new regulations.
- 75 percent of those surveyed support a policy to end "regulation without representation" by requiring Congress to approve newly written federal regulations before they are enacted.

Sample polling question:

For each of the following areas of environmental protection, please tell me which level of government you think should have the primary responsibility over that part of the environment: the local government, the state government, or the federal government:

Protecting water quality in rivers, lakes, and streams

- local: 19 percent
- state: 46 percent
- federal: 27 percent

Maintaining and improving river quality

- local 40 percent
- state: 37 percent
- federal: 16 percent

To even the skeptical observer, this new survey clearly demonstrates that Americans do not accept the policy prescriptions put forward by the Washington environmental lobby.

The challenge to those who wish to advance reform is to articulate a vision for the future of environmental policy that marries the public's concern for environmental protection with the preference for limited government.

Available on *PolicyFax*

Attitudes toward the Environment: Twenty-Five Years after Earth Day
Americans are becoming more moderate in their environmental views. *(American Enterprise Institute, 1995, 4 pp.)*

Call 847/202-4888
Order document #2394109

Health Care

Michael D. Tanner

Michael D. Tanner is director of health and welfare studies at the Cato Institute.

A Hard Lesson about Socialized Medicine

Europeans are now learning a hard fact of life about socialized medicine: there's no such thing as a free lunch. The question is whether Congress will learn from Europe's mistakes as it undertakes the next steps in reforming the American health care system.

For many years, advocates of government-run health care pointed to Europe as an ideal, noting that America was the "only industrialized country without a national health care system." Now, however, the European welfare states are slashing benefits in the face of rising health care costs.

> *The European welfare states are slashing benefits in the face of rising health care costs.*

A recent front-page story in *The New York Times* detailed the European cutbacks. According to the article, Britain, France, and Germany are all being forced to limit access to care. Rationing, already extensive, is increasing.

The Europeans have run into a very simple economic rule. If something is perceived as free, people will consume more of it than they would if they had to pay for it. Think of it this way: if food were free, would you eat hamburger or steak? At the same time, health care is a finite good. There are only so many doctors, so many hospital beds, and so much technology. When people overconsume those resources, they drive up the cost of health care.

This same problem is besetting the American health care system. The vast majority of American health care is not directly paid for by the patient. Instead, a third party, either the government or an insurance company, pays the bill.

Medicare is exhibit one. Medicare beneficiaries pay almost nothing for health care out of their own pocket. Under Medicare Part B, for example, the deductible is an absurdly low $100 (there is a 20 percent copayment). The deductible under Part A is higher, $716 on the first sixty days of hospital care for each spell of illness. There is also a copayment required for hospitalization of longer than sixty days. However, nearly 70 percent of the elderly have some form of "medigap" insurance that covers all or part of the deductibles and copayment.

Thus, recipients have little incentive to be good consumers and avoid unnecessary expenses or seek the best deal for their dollar. Guy King, former chief actuary for the Health Care Financing Administration, says that third-party payment is one of the primary causes of the rapid growth in Medicare expenditures. As King explains, "When people, either patients or doctors, are spending other people's money, they do not worry about the cost or number of services consumed."

The establishment has responded to this problem by trying to force seniors into managed care, allowing insurance companies to ration care. But managed care does not change the underlying incentive structure created by pervasive third-party payment. To the degree that it is able to reduce costs, it does so by limiting access to treatment.

A report by the Department of Health and Human Services' Inspector General found "pervasive" quality problems throughout managed care programs for Medicare, including difficulties for recipients in receiving access to care. Managed care programs are significantly less likely to use diagnostic tests, such as MRI and CAT scans, than fee-for-service plans. Doctors report that managed care organizations pressure them to save money even at the cost of quality. One-third of doctors surveyed by the American Medical Association in 1988 stated that patients were harmed by delays or non-treatments as a result of managed care.

> *For years we've been told to look to Europe for lessons about health care. This time, maybe we should.*

Although the election season has temporarily taken Medicare off the table, the issue will be back to haunt the president and Congress next year. Indeed, the most recent report of the Medicare system's Board of Trustees warns that the program faces bankruptcy in just five years.

The question is whether we will recognize the problems of third-party payment and restore consumer incentives by increasing deductibles and allowing recipients to choose medical savings accounts. Or will we follow the European example and ration the health care that our seniors depend on?

For years we've been told to look to Europe for lessons about health care. This time, maybe we should.

Available on *PolicyFax*

A Look at Employer Mandates and Germany
Millions of Germans suffer unintended consequences resulting from employer mandates. (*Citizens for a Sound Economy, 1994, 3 pp.*)

Call 847/202-4888
Order document #3212109

William H. Mellor

William H. Mellor is president and general counsel of the Washington, D.C.-based Institute for Justice.

Regulations Block Promise of Welfare Reform

Ending welfare as we know it assumes not only that welfare benefits will no longer be an entitlement, but also that once off welfare, former recipients will find jobs. Policy recommendations typically call for job training and public works employment to meet this need. Yet those are costly programs that experience shows are limited in their ability to transform formerly dependent individuals into productive workers. Furthermore, they do little to encourage the creation of new jobs in the private sector. Job creation in that realm is the business of entrepreneurs.

Unfortunately, entrepreneurial job creation is stifled by regulatory barriers, particularly those affecting occupations ideally suited for the poor. Removing those barriers is an integral part of successful welfare reform. New York City offers a dramatic portrait of the regulatory barriers entry-level entrepreneurs face.

Throughout New York City individuals of modest means strive to carve out a living and support themselves and their families. They pursue honest occupations; they are, for example, commuter van drivers, street vendors, hair braiders, gypsy cab drivers, home-based bakers, and child-care providers. They represent a dynamic force of enterprise and energy providing highly desired services in their communities.

Yet in New York City, where some 10 percent of the population receives public assistance, antiquated and arbitrary laws turn the vast majority of those bootstrap capitalists into outlaws. Each of those laws imposes an unnecessary, and unreasonable, barrier to legitimate economic activity ideally suited for industrious entrepreneurs of modest means who want to earn a share of the American Dream.

Some laws create ceilings on the number of participants. Although the most notorious is the restriction on taxi medallions (limiting the number of legal taxis on the street to 12,187, only 400 above the figure allowed by law in 1937), limits on street vendors are perhaps most arbitrary. By law, no more than four thousand food vendors and seventeen hundred merchandise vendors may operate on the streets of New York. Estimates of the number of non-licensed vendors currently operating—over and above those holding permits—range up to eighteen thousand. Some barriers require licenses with irrelevant credentialing and training, like cosmetology requirements imposed on hair braiders.

Such regulations often have little relevance to public health and safety. For instance, in New York one needs 900 hours of training to become a licensed hair braider, yet only 116 hours to qualify as an emergency medical technician with advanced training in the use of heart defibrillation, and 47 hours to be a security guard trained in the use of deadly force.

Most of the regulations serve to preclude entry, always at the behest of powerful interest groups seeking to protect themselves against competition. New York's notoriously slow and unreliable bus service, operated by members of the transportation workers union, provides a case in point. Jitney vans, especially in Queens and Brooklyn, are in high demand and provide more efficient, less costly (one dollar per ride), and more flexible transportation than public buses (some of which require subsidies of more than $3 for each paying passenger). Nevertheless, jitney entrepreneurs face shutdown and even seizure of their vans because they compete with public buses. Although New York City has changed its laws to allow a relatively small number of jitneys to provide limited service, regulation remains formidably stacked against van owners.

The full range of regulations that stifle entrepreneurship is head-spinning. No fewer than seventy-three pages in the Official Directory of the City of New York list various types of licenses, permits, or other forms of certification that one may need to own or operate a business, or simply to be employed in one. One needs a license to repair videocassette recorders, work as an usher or sell tickets at wrestling matches, or set up a parking lot or junk shop.

> *Antiquated and arbitrary laws turn the vast majority of bootstrap capitalists into outlaws.*

Significantly, such restrictive laws force bootstrap capitalists underground. Once underground, they have little hope of growing their business or ever obtaining necessary capital. They are instead doomed to the ranks of economic outsiders. As such, these individuals cannot become productive forces for stability and employment so desperately needed in their communities.

The current legal and regulatory climate in New York City, despite notable efforts by the Giuliani administration, still imposes a presumption in favor of regulation and restriction. Government policies too often obstruct rather than encourage entry-level entrepreneurship.

New York City should immediately create a consistent policy across the range of occupations to encourage entry-level employment (and employment generally) and to discourage the use of regulation to create private, competitive advantage.

Available on *PolicyFax*

Opening Boston's Taxicab Market
Boston artificially restricts the number of legal taxicab operators by imposing an unofficial limit on the number of taxicab licenses it issues. *(Pioneer Institute, 1995, 12 pp.)*

Call 847/202-4888
Order document #8105405

Which One's the Home Team?

These days it seems like pro sports teams change homes more often than their fans do.

Meanwhile, state and local taxpayers foot the bill long after the teams have moved up the interstate.

What should be done? Experts such as **NFL Commissioner Paul Tagliabue**, **Cleveland Mayor Michael White**, and stadium financing guru **Robert Baade** answer that question in a hot new study from The Heartland Institute.

The 4-page executive summary of **"Should Congress Stop the Bidding War for Sports Franchises?"** is available through *PolicyFax*. Call 847.202.4888 and order document **1976303**.

Or get the complete study from Heartland's Web site at **http://www.heartland.org/stadsumm.htm**, or by calling The Heartland Institute at 847.202.3060.

Infrastructure Privatization Spreads Nationwide

William Eggers

William Eggers directs the Reason Foundation's Privatization Center

With cities, states, and school districts facing pressing needs for new and repaired roads, bridges, water systems, and schools, privatization and innovative public-private partnerships offer the most promising ways to avert a pending infrastructure crisis.

Private toll projects mushroom

The spring and summer months brought new legislative proposals and progress on public-private transportation projects in a number of states.

Arizona. Over two dozen firms obtained copies of ADOT's RFP for the twenty-three-mile, $400 million South Mountain tollway project in Phoenix. Proposals were due by June 26. Last winter ADOT received and rejected three other tollway proposals, creating confusion over its interpretation of the provisions of Arizona's revised (1995) tollways law.

California. The state's Assembly Transportation Committee in April approved a broadened private tollways law (AB 3426) that would remove the previous limit of four projects and permit joint public-private financing (including use of the federal ISTEA public-private partnership provisions). The apparent success of the first such project, the 91 Express Lanes in Orange County, helped sell the committee on the measure (which will face a tough fight in the state Senate).

Delaware. The state issued an RFP in May calling for project proposals in any form of privately developed transportation infrastructure. Delaware's 1995 law permits up to four "demonstration projects" of this type.

Michigan. A bill requiring the state Transportation Department to explore privatizing airports, roads, bridges, maintenance, and rest areas has passed the House and is now in the Senate.

New York. The Regional Plan Association (RPA) has proposed a $2.5 billion project to replace the Gowanus Expressway in Brooklyn with a public-private toll tunnel four miles in length. RPA is seeking funds to do a feasibility study of the project.

South Carolina. Interwest was the winner in SCDOT's competition for a seventeen-mile, $177 million tollway in Greenville County. Like a similar project in Minnesota, Interwest would set up a nonprofit corporation and use tax-exempt debt. SCDOT is also exploring three other possible toll projects.

Virginia. The Commonwealth Transportation Board has approved unsolicited proposals for two tollway projects in the Richmond area: a nine-mile, $250 million I-895 connector and bridge from Fluor Daniel and Morrison Knudsen and a fourteen-mile, $255 million Rt. 288 proposal from Brown & Root/Dewberry & Davis. VDOT is also evaluating two proposals for a Chesapeake tourist tollway.

Washington. WashDOT has signed a development agreement with the Perini Corporation Team to convert park and ride lots into privately financed parking structures. The $68 million project is the only one of six public-private transportation ventures moving forward in the state.

> *Public-private partnerships offer the most promising ways to avert a pending infrastructure crisis.*

Private provision of school infrastructure

Jensen Ranch Elementary may look like a typical public school, but it wasn't built like one. Instead of using public funds, the three hundred-student facility in Castro Valley, California was built entirely with private funding and private labor.

In lieu of paying $1,500 in school fees on each of its seventeen hundred units, Shapell Industries, the developers of Palomares Hills, offered to design, build, and donate Jensen Ranch Elementary to the local school district.

The school is a model public-private partnership. In exchange for building and donating the school, certain taxes and fees were waived for the company. The result: the overall cost to Shapell was less than it would have been had it paid unit-assessment fees. The school, located in the midst of Palomares Hills, also enhances the development's market appeal to potential family home buyers.

Jensen Ranch offers lessons to state governments on how to reduce school construction costs. Using standardized, modular construction, Shapell Industries built the $2.8 million school (including land) in just six months at a savings of 35 percent compared to state construction costs.

Despite the demonstrated savings in costs and school construction time, acceptance of the idea among school districts has been slow. School boards want custom-designed facilities, even when that entails higher taxpayer costs. Eventually, fiscal realities may force school board members to change their ways.

Available on *PolicyFax*

The Case for Privatizing the Highways
By privatizing highways and creating markets in highway service, governments can save money and improve the quality of service. (*Cato Institute, 1995, 17 pp.*)

Call 847/202-4888
Order document #6564401

Regulation

How to Reform Regulations

Murray Weidenbaum

Murray Weidenbaum is chairman of the Center for the Study of American Business.

Griping about government regulations has become a staple of public conversation. Each of us has our favorite story of regulatory silliness. Mine is the $3.3 million it cost to provide a "protected habitat" for eight flies. Apparently they were covered by the Endangered Species Act. (Is there really a shortage of flies in the United States?)

Far more important is the fact that the regulatory burden has become a serious obstacle to achieving truly important objectives such as a growing economy, higher living standards, and a healthier society. Most efforts to reform government regulation have fizzled because of a fundamental lack of public support and understanding. Contrary to the popular impression, it is not a matter of choosing between a cleaner environment (or safer products) and "going easy" on business. That stereotype does not conform to reality.

In practice, much regulation does not work. Extended bureaucratic reviews of new pharmaceuticals prevent patients from having ready access to better lifesaving medicines. Onerous automobile regulations increase the price of new and more efficient cars and encourage people to hold on to their old gas-guzzlers longer. Byzantine workplace regulations force employers to keep job openings unfilled longer than they need to.

What can be done to improve government regulation? Candor requires us to acknowledge that there is no panacea that would instantly cure all the shortcomings. Our differences on specifics, however, should not obscure the broad agreement on fundamental objectives.

> *In our personal lives, we normally accept some risks—otherwise it would take us forever to cross the street!*

Prioritize risks

Regulations should focus on the most serious risks. Government cannot regulate everything and should not try to. Attempting to achieve perfection—such as zero risk or zero discharge—is not practical and discredits the entire effort. After all, in our personal lives, we *normally accept some risks—otherwise it* would take us forever to cross the street!

Promote competition

There often is great advantage in relying on competition in the marketplace to protect the consumer. No more than the alternative of regulation does competition work perfectly. But often the risk of substantial harm is less. For example, we do not hear much about the deregulation of interstate trucking. That is because it is working well. Deregulation has resulted in thirty thousand new businesses entering the trucking industry, creating a job increase of 30 percent.

Use incentives

But given the current organization of property rights, it is not feasible to eliminate environmental regulation. It does make sense to use economic incentives more widely. After all, people do not pollute because they enjoy messing up the environment, but because it often is cheaper or easier than not polluting. Reducing pollution should not be viewed as the negative task of punishing wrongdoers. Rather, the challenge should be positive: to change people's incentives so that they voluntarily modify their behavior.

Cap regulatory costs

It would also help if Congress would adopt a "regulatory budget" to limit the amount of compliance cost an agency can impose on the private sector. To stay within the regulatory budget, a federal department thinking of issuing an expensive new regulation would have to cut the burden of its current rules.

Cost-benefit analysis

For the existing array of command-and-control regulation, benefit/cost analysis can help to make sure that any given regulation does more good than harm. There is no advantage in selecting the most costly and disruptive ways to respond to public concerns. "Overregulation" is not an emotional term. It is the economist's shorthand for government rules for which the costs to the public are greater than the benefits.

Conclusion

All Americans want to achieve a cleaner environment, safer products, and healthier workplaces. It does us all a great disservice to characterize honest differences as a contest between "heartless greedy polluters" on the one hand and "environmental wacko eco-freaks" on the other. There is a substantial role for government in establishing the rules for a civil society. The serious issues really relate to *figuring out which rules to set and how to enforce them.* i

Available on *PolicyFax*

A Citizen's Guide to Regulation
The federal regulatory bureaucracy costs three times as much today as it did in 1970. *(The Heritage Foundation, 1994, 14 pp.)*

Call 847/202-4888
Order document #7200301

Taxes

Stephen Gold

Stephen Gold is associate director and director of communications of the Tax Foundation.

Federal Tax Burdens Climb

While federal tax burdens continue to rise as a result of the expanding economy—this year's average federal tax bill of $5,225 represents an increase of 4.4 percent over fiscal year 1995's level of $5,006—residents of some states will see far higher tax bills than will others.

In addition, the "return" on Americans' tax dollars—in the form of various federal payments, goods, and services—also varies widely by state. Some, such as Alaska, Virginia, and Maryland, receive high levels of per-capita federal spending, while others, such as Wisconsin, Indiana, and Utah, receive considerably less.

In his annual Special Report on the "1996 Federal Tax Burden by State," Tax Foundation economist Patrick Fleenor observes that the average American will owe $5,225 in fiscal 1996 to Uncle Sam. However, the average federal tax bill will range from a high of $8,096 in Connecticut to a low of $3,413 in Mississippi (see accompanying chart).

Federal taxes are collected in many forms, including individual and corporate income taxes, social insurances taxes (such as payroll collections for Social Security and Medicare), a variety of excise taxes, custom duties, and estate and gift taxes. But over three-quarters of the $1.39 trillion collected in federal tax revenue this fiscal year will come from just two sources: individual income taxes ($630.9 billion, or 45.4 percent of the total), and social insurance taxes ($503.0 billion, or 36.2 percent).

After Connecticut, residents of New Jersey will be next hardest hit by federal taxes, with an average federal tax bill of $7,159. The average resident of Massachusetts will pay $6,409 this year, the third highest federal tax burden in the nation.

At the other end of the spectrum, after residents of Mississippi, those living in West Virginia ($3,702) and Utah ($3,823) will have the next lightest federal tax loads in the country.

The variation in per-capita federal tax burden by state is primarily due to differences in per-capita income among the states. Since the federal government's primary revenue-raisers, individual income and payroll taxes, are levied as a percentage of income, states with high per-capita income will also tend to have high per-capita federal tax collections. This effect is exacerbated by the progressivity of the federal tax system, which causes tax burdens to rise more than proportionally with income.

Per Capita Federal Tax Burden by State, Fiscal Year 1996

Connecticut	$8,096	Oregon	4,916
District of Columbia	7,518	Nebraska	4,866
New Jersey	7,159	Missouri	4,842
Massachusetts	6,409	Indiana	4,829
New York	6,352	Georgia	4,744
Delaware	6,179	Texas	4,689
Illinois	6,046	Iowa	4,684
Nevada	5,965	Vermont	4,674
Maryland	5,958	Tennessee	4,606
Alaska	5,939	South Dakota	4,573
New Hampshire	5,836	North Carolina	4,464
Minnesota	5,556	North Dakota	4,443
Michigan	5,539	Arizona	4,369
Colorado	5,532	Idaho	4,270
Washington	5,519	Maine	4,242
Rhode Island	5,437	Montana	4,168
Pennsylvania	5,340	Alabama	4,105
Hawaii	5,337	Louisiana	4,104
Virginia	5,334	Kentucky	4,028
U.S. Average	**5,225**	Arkansas	4,007
Florida	5,218	South Carolina	4,000
California	5,212	Oklahoma	4,000
Wyoming	5,115	New Mexico	3,904
Ohio	5,076	Utah	3,823
Wisconsin	5,037	West Virginia	3,702
Kansas	4,963	Mississippi	3,413

Tax Foundation, 1996

Available on *PolicyFax*

Taxes Force American Family to Tighten Belt

In 1995 a median-income family can expect to pay 38.2 percent of its income in federal, state, and local taxes. (*Tax Foundation, 1995, 4 pp.*)

Call 847/202-4888
Order document #8036113

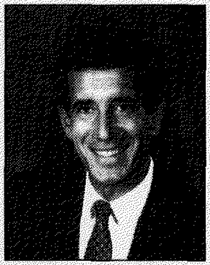
PolicyFax
UPDATE

WRITE YOUR POLICYFAX ACCOUNT NUMBER HERE:

847·202·4888

INSTANT DELIVERY BY FAX

NOVEMBER/DECEMBER 1996



Welcome to *PolicyFax* Update
by Sen. Chris Lauzen (Illinois)

Dear Colleagues:

It's my pleasure to welcome you to the latest edition of *PolicyFax Update*—your source for the full text of thousands of public policy documents from the nation's leading think tanks, publications and other research organizations.

Once you start using *PolicyFax*, you'll wonder how you ever got along without it.

With just your touch-tone telephone and your fax machine, you can instantly receive any of the documents listed in this catalog. Best of all, the service is completely **free** for elected officials and legislators. Just call 847/202-4888 and follow the recorded instructions. *PolicyFax* is available twenty-four hours a day, seven days a week. (For more information about how to use *PolicyFax*, please turn to page 2).

Before you call, check the magazine's back cover for your eight-digit *PolicyFax* account number. Write that number in the box above, so you'll always have it handy. If no number appears on the back cover, fill out the form on page 23 of this insert, and fax it to 847/202-9799.

Thank you for using *PolicyFax*. If you have any questions or comments about the service, please call The Heartland Institute at 847/202-3060. They'll be happy to help you.

Sincerely,

Chris Lauzen

Chris Lauzen
Chairman, *PolicyFax* Advisory Committee*

---

*The *PolicyFax* Advisory Committee is an unpaid panel of elected officials who recommend topics and documents to be included in *PolicyFax*. To find out more or to become a Committee member, please call Matthew Nutting at 847/202-3060.

USING POLICYFAX

What Is PolicyFax?

PolicyFax is the place to turn when you need public policy information *now*. *PolicyFax* will help keep you on top of the policy debate in Washington, and in every state capital from Maine to California.

The latest research from the hottest think tanks and publications is available by fax, instantly, twenty-four hours a day and seven days a week. Just call **847/202-4888** and follow the recorded instructions.

How Do I Order PolicyFax Documents?

You don't need a computer to use PolicyFax. To have a document sent instantly to your fax machine, follow these steps:

1. Dial **847/202-4888** and listen for the greeting.
2. Press "1" to order documents.
3. Enter your *PolicyFax* account number.
4. Enter the seven-digit number for the document you wish to order. Wait for the prompt, then enter the number for the next document you wish to order. You can order up to three documents in a single call.
5. If you order fewer than three documents, you will be prompted to press "*" to conclude your order.
6. When prompted, enter your fax number, or press "1" to confirm your fax number.
7. Hang up. Your documents will be faxed to you in a few minutes.

PolicyFax Is Free for Elected Officials and the Media

If you are an elected official, editor, reporter, or talk show host, you can use *PolicyFax* for free, if you have a *PolicyFax* account.

Check the magazine's back cover. If you see an eight-digit number where it says "This is your *PolicyFax* account number," you already have a *PolicyFax* account and do not need to apply for one.

If no number appears there, you can have an account application faxed to you by calling *PolicyFax* (**847/202-4888**) and pressing "2" when prompted. The recorded message will ask for your fax number. The form will be faxed to you in a few minutes.

There is no charge to open a *PolicyFax* account.

For Other Users, PolicyFax Documents Cost $5 Each

If you are not an elected official, editor, reporter, or talk show host, you can still use *PolicyFax*, but there will be a $5 charge for each document you order. You will be prompted to enter your *PolicyFax* account number at the time of your order.

To open your *PolicyFax* account, complete the form on page 23 of this insert, or call *PolicyFax* (**847/202-4888**) and enter "2" at the first prompt. An application form will be sent automatically to your fax machine.

On your application form, please specify whether you wish to pay for your documents by

- *credit card*. Provide us with your current credit card information, and we will charge your card $5 for each document you order.
- *advance deposit*. Make a lump-sum payment (in multiples of $5), and we will deduct $5 from your account for every document you order.

Fax your completed application to The Heartland Institute at 847/202-9799, or mail it to The Heartland Institute, 800 East Northwest Highway #1080, Palatine, IL 60067. When we receive your completed application form, we'll assign you a *PolicyFax* account number and send you a "welcome" package.

But I Don't Have a Fax Machine!

You can also get the documents reviewed in this *PolicyFax Update* by mail. The cost of fulfilling such requests, however, prevents us from offering documents by mail to legislators and journalists for free. Documents by mail are $5 each, regardless of length. Requests must be prepaid by check or credit card and will be fulfilled within one week. Send your request by fax to 847/202-9799; by mail to The Heartland Institute, 800 East Northwest Highway #1080, Palatine, IL 60067; or by e-mail to think@heartland.org. Be sure to include payment information with your request.

THE HEARTLAND INSTITUTE

PolicyFax is managed by The Heartland Institute, a nonprofit, nonpartisan research organization that applies cutting-edge research to state and national public policy problems. Since 1984, Heartland researchers have addressed a wide range of issues, including the environment, education reform, taxes, and deregulation.

Through books, policy studies, and short opinion pieces, as well as through *PolicyFax* and the institute's bimonthly magazine, *Intellectual Ammunition*, Heartland strives to be an indispensable source of public policy information for the nation's elected officials, the media, and public policy researchers.

For more information about The Heartland Institute, please call us at 847/202-3060 or e-mail us at think@heartland.org. Alternatively, visit our World Wide Web site at **http://www.heartland.org**.

TABLE OF CONTENTS

Budget 3
Civil Rights 4
Crime 4
Economic Development 5
Economy 6
Education 6
Environment 8
Family 11
Governing 12
Health Care 13
Labor 15
Law 16
Privatization 17
Regulation 17
Society 19
Taxes 19
Trade 21
Welfare 22
Account Application 23

BUDGET

A Privatized Social Security

Social Security is a Ponzi scheme that is running out of "investors" to keep the system solvent. Privatization may be the last—and best—option.
Institute Brief, July 1996
Public Interest Institute
PolicyFax #8078102 (2 pp.)

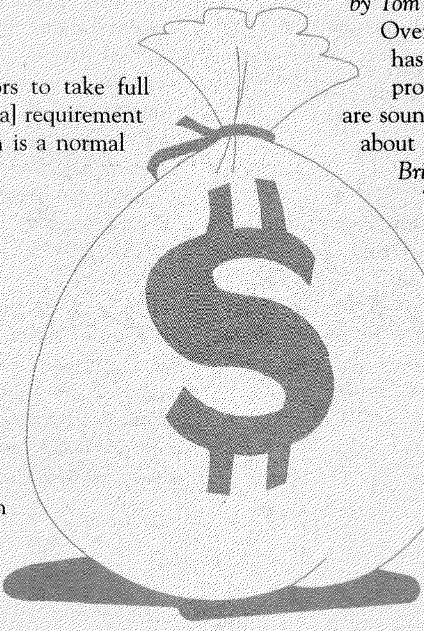
Privatizing Social Security: A Big Boost for the Poor

by Michael Tanner

"Critics of Social Security privatization often warn that such proposals hold serious dangers for the elderly poor. However, a closer examination of the evidence indicates that the poor would be among those who would gain most from the privatization of Social Security."
Social Security Privatization, July 26, 1996
Cato Institute
PolicyFax #8078403 (12 pp.)

A Balanced Budget Amendment

"A balanced budget amendment forces legislators to take full responsibility for their budgetary decisions. [Such a] requirement will bind lawmakers to a type of discipline which is a normal part of any successful budgeting process."
Institute Brief, July 1996
Public Interest Institute
PolicyFax #0808109 (2 pp.)



A Fiscal Policy Report Card on America's Governors

by Stephen Moore and Dean Stansel

The Cato Institute's third biennial rating of governors on spending and tax policy. Three governors received grades of "A": George Pataki (New York), Steve Merrill (New Hampshire), and Fife Symington (Arizona). Four governors—Gaston Caperton (West Virginia), Tom Carper (Delaware), Lawton Chiles (Florida), and George Voinovich (Ohio)—received grades of "F." The executive summary and introduction of this analysis are available through *PolicyFax*; the entire study is available from the Cato Institute's World Wide Web site at http://www.cato.org.
Policy Analysis, July 26, 1996
Cato Institute
PolicyFax #0800302 (executive summary and introduction, 6 pp.)

Fiscal Devolution: The Impact on State Budgets

by Kerry Sutten

The federal government is devolving considerable fiscal authority to the states. But while Congress seeks to reduce its discretionary spending, states must find a way to make up for lost federal funds.
Northeast-Midwest Economic Review, July/August 1996
The Northeast-Midwest Institute
PolicyFax #0875401 (4 pp.)

California's Fiscal Condition

by Tom McClintock

Over the past year, the health of California's economy has greatly improved. As a result, policymakers are proposing a broad range of new initiatives. But there are sound economic reasons to continue to exercise caution about spending more.
Briefings, April 26, 1996
The Claremont Institute
PolicyFax #0875402 (part 1, 11 pp.)
#0875403 (part 2, 11 pp.)

Addressing the City of Pittsburgh's Workers' Comp Crisis

by Paul Kengor

Pittsburgh currently pays $4,195 per employee in workers' compensation costs—far more than most American cities do. This report examines the problem and proposes constructive solutions.
Report, June 1996
Allegheny Institute for Public Policy
PolicyFax #3295401 (part 1, 11 pp.)
#3295402 (part 2, 14 pp.)

CIVIL RIGHTS

Still Choosing by Color
by Michael Lynch
In July 1995 the University of California Board of Regents voted to end race as a factor in admissions, contracting, and hiring decisions. Lynch examines the resulting controversy at U.C. Berkeley.
Briefing, May 6, 1996
The Claremont Institute
PolicyFax #1200417 (part 1, 10 pp.)
#1200418 (part 2, 9 pp.)

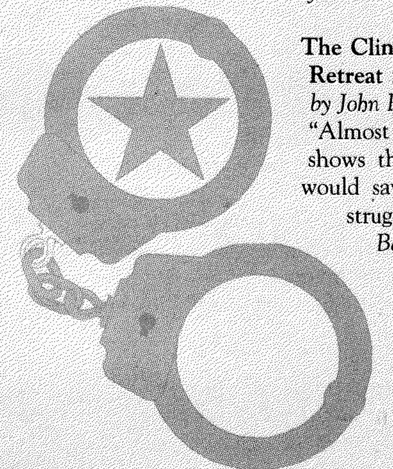
Smart Women, Foolish Quotas
by Sally C. Pipes and Michael Lynch
Opponents of the California Civil Rights Initiative—an amendment to the state constitution that would prohibit state and local governments from granting preferences or discriminating based on race, ethnicity, or sex—are painting the November initiative as "anti-woman." But women don't need preferential treatment.
Policy Review, July-August 1996
The Heritage Foundation
PolicyFax #1224102 (3 pp.)

Feminism Is Not the Story of Their Lives
by Christina Hoff Sommers
A review of *Feminism Is Not the Story of My Life*, by Elizabeth Fox-Genovese. Fox-Genovese points out that women are skeptical of organized feminism because they believe the movement does not speak for them.
Heterodoxy, May-June 1996
Center for the Study of Popular Culture
PolicyFax #1224103 (3 pp.)

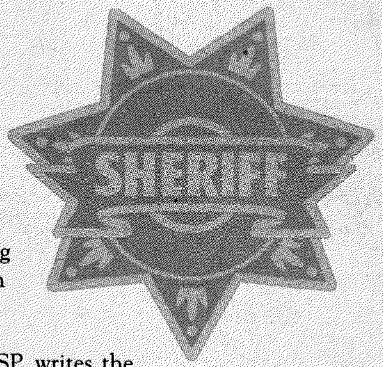
CRIME

The Untold Triumph of Concealed-Carry Permits
by David Kopel
Evidence appears to indicate that concealed-carry laws have not increased violent crime. "Concealed-carry reform is no panacea for the high rates of crime in this nation, but it will be an important component of an anticrime strategy based on the right and duty of good citizens to take responsibility for public safety."
Policy Review, July-August 1996
The Heritage Foundation
PolicyFax #1328110 (3 pp.)

Gun Control: Is the Tide Turning?
by Austin Fulk
"Despite gun control activists' success in tightening gun laws at the national level, a broad-based and little-noticed movement has been working in the states to liberalize restrictive gun laws."
Organization Trends, June 1996
Capital Research Center
PolicyFax #1328411 (7 pp.)



The Clinton Administration's Continuing Retreat in the War on Drugs
by John P. Walters and James F. X. O'Gara
"Almost every available indicator today shows the United States is losing—some would say surrendering—in the prolonged struggle against illegal drugs."
Backgrounder, July 12, 1996
The Heritage Foundation
PolicyFax #1392407 (13 pp.)



The Sentencing Project: Taxpayer-Funded Group Says Prisons Don't Work
Describes The Sentencing Project (TSP), "a little known Washington, D.C. think tank" that promotes "alternative sentencing programs." TSP, writes the Capital Research Center, "is virtually a conservative caricature of liberal crime policy. Rather than focus on the finding of guilt and the appropriate punishment for criminal acts, it seeks to uncover the sociology of 'root causes' of crime."
Organization Trends, April 1996
Capital Research Center
PolicyFax #4830101 (4 pp.)

There's Gotta Be a Better Way
by Kurt T. Weber
One way to reduce prison costs would be to distinguish between violent and nonviolent criminals.
Opinion, January 30, 1996
Cascade Policy Institute
PolicyFax #1300105 (2 pp.)

ECONOMIC DEVELOPMENT

Time to End the Economic War between the States
by Lawrence W. Reed
By fighting to attract businesses through selective tax abatements, outright grants, low-interest loans, and other devices, states are ensuring "an exercise in mutually assured destruction, or at least one in which all victories are Pyrrhic ones at best, with the victors losing almost as much as the vanquished."
Regulation, 1996 Number 2
Cato Institute
PolicyFax #1900407 (9 pp.)

The Futility of Tax Competition for Business
by James R. Rogers
Examines the consequences of using tax abatements and subsidies to induce particular businesses to locate or relocate within state borders. States should require that their tax laws treat all businesses equally.
Issue Paper, January 1996
Constitutional Heritage Institute
PolicyFax #1901301 (executive summary, 4 pp.)

Washington's War on Savings
by Alan Reynolds
To increase the U.S. economy's capacity to expand we must reverse the tax-rate increases of the past. Otherwise we risk causing a premature end to the current economic expansion.
Briefing Paper, November 1994
Hudson Institute
PolicyFax #8036413 (12 pp.)

The Economic Impact of the Pirates
by Dr. C. Jake Haulk
The Pittsburgh Pirates, valued at $70 million, are the least valuable team in major league baseball. This report examines the case for public subsidy of the Pirates, and finds it to be economically unrewarding.
Report, May 1995
Allegheny Institute for Public Policy
PolicyFax #1976404 (part 1, 12 pp.)
#1976405 (part 2, 12 pp.)

Restoring Opportunity to Arkansas
by Stephen Moore
Offers a five-step plan for turning Arkansas into a high-growth state. The plan would: establish a 25 percent across-the-board cut in state income tax rates; index the entire state tax code for inflation; eliminate the state capital gains tax for all new investment and enterprise in the state; implement a one-year budget freeze; and place a cap on spending into the state constitution.
Policy Study, Spring 1996
Arkansas Policy Foundation
PolicyFax #0875404 (part 1, 11 pp.)
#0875405 (part 2, 10 pp.)

Should Congress Stop the Bidding War for Professional Sports Franchises?

Over a dozen federal policymakers, sports league commissioners, municipal authorities, and academics have told a Senate Judiciary subcommittee that Congress should act to stop the epidemic of professional sports franchise relocations. Their testimony was released by The Heartland Institute in August 1996 in four volumes, as Heartland Policy Studies *#74-77. The entire document is available through* PolicyFax *in the following parts. You can also get a copy by mail by calling The Heartland Institute at 847/202-3060, or by e-mailing Heartland at think@heartland.org. Internet users can obtain the study by visiting Heartland's World Wide Web site at http://www.heartland.org.*

Executive Summary

PolicyFax #1976303 (4 pp.)

Volume 1:
Federal Policy Makers

Sen. Strom Thurmond (R-S.C.)
PolicyFax #1976406 (4 pp.)

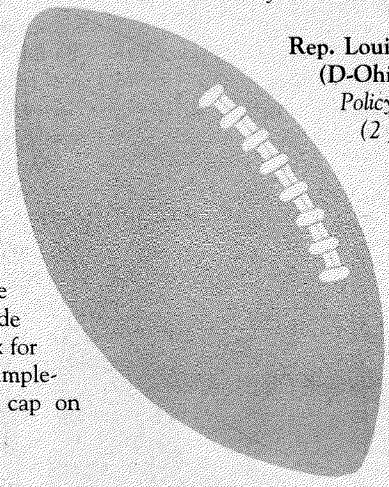
Sen. Mike DeWine (R-Ohio)
PolicyFax #1976407 (2 pp.)

Sen. John Glenn (D-Ohio)
PolicyFax #1976408 (4 pp.)

Sen. Byron L. Dorgan (D-N.D.)
PolicyFax #1976409 (2 pp.)

Rep. Louis Stokes (D-Ohio)
PolicyFax #1976410 (2 pp.)

Rep. Martin R. Hoke (R-Ohio)
PolicyFax #1976411 (4 pp.)



Volume 2:
League Commissioners

Commissioner Paul Tagliabue (National Football League)
PolicyFax #1976412 (12 pp.)

Commissioner Gary Bettman (National Hockey League)
PolicyFax #1976413 (10 pp.)

Volume 3:
Municipal Authorities

Mayor Bob Lanier (Houston, Texas)
PolicyFax #1976414 (11 pp.)

Mayor Michael R. White (Cleveland, Ohio)
PolicyFax #1976415 (13 pp.)

Chairman John Moag, Jr. (Maryland Stadium Authority)
PolicyFax #1976416 (4 pp.)

Volume 4:
Academics

Gary R. Roberts (Tulane Law School)
PolicyFax #1976417 (10 pp.)

Stephen F. Ross (University of Illinois)
PolicyFax #1976418 (11 pp.)

Robert A. Baade (Lake Forest College)
PolicyFax #1976419 (9 pp.)

ECONOMY

Is America's Economy Really Failing?
The New York Times recently ran a seven-part series decrying "The Downsizing of America." According to the *Times*, job security is nonexistent, wages and income are falling, and middle-class Americans are suffering. Such a view, however, is far from universal. This article features nine rebuttals by authors who do not agree with the *Times's* conclusions.
The American Enterprise, July/August 1996
American Enterprise Institute
PolicyFax #2000405 (6 pp.)

How the Market Self-Polices against Predatory Pricing
by Donald J. Boudreaux and Andrew N. Kleit
Market forces are more effective than are antitrust laws in preventing monopolies from occurring.
Analysis, June 1996
Competitive Enterprise Institute
PolicyFax #7203401 (part 1, 13 pp.)
#7203402 (part 2, 8 pp.)

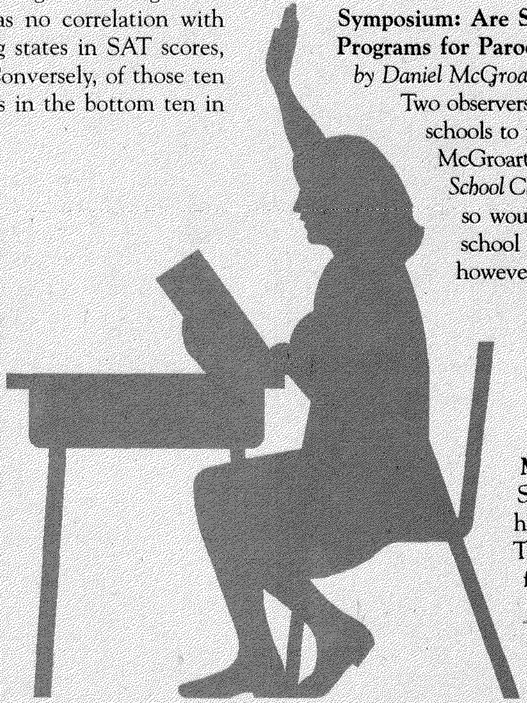
Income Inequality
A series of talking points explaining why income inequality may not, in fact, be rising, and how "solutions" such as tax increases may exacerbate the problem they were intended to solve.
Talking Points, June 29, 1996
The Heartland Institute
PolicyFax #9200305 (2 pp.)

EDUCATION

Competitive Contracting in Public Schools
This study reports and analyzes the results of an Ohio statewide survey of school district contracting activity in five areas: building maintenance, administrative services, transportation, janitorial services, and food service. *Fact*: 35.9 percent of all Ohio school districts utilize the private sector to provide some portion of the above services.
Policy Report, April 1996
Buckeye Institute for Public Policy Solutions
PolicyFax #2166408 (part 1, 16 pp.)
#2166409 (part 2, 10 pp.)
#2166410 (part 3, 9 pp.)

National SAT Scores versus Per-Pupil Spending
A useful chart comparing states' per-pupil spending and average SAT scores. It demonstrates that high spending has no correlation with academic achievement. Of the top-ten ranking states in SAT scores, none is among the top-ten highest spenders. Conversely, of those ten states with the poorest SAT scores, none ranks in the bottom ten in terms of spending.
Fact Sheet, July 1996
South Carolina Policy Center
PolicyFax #2176304 (3 pp.)

What Does South Carolina Get for Joining Goals 2000?
by Michael S. Hubbard
By joining the federal Goals 2000 program, South Carolina received roughly four cents per school day from the federal government for each of the state's 652,500 public school students. But by doing so, "South Carolina has surrendered control of our education system to federal educrats and powerful special interests. National standards pose a danger to local control. . . . When the people of this state realize what has been done, they will discover that the Goals 2000 quagmire was much easier to fall into than it will be to escape."
Capitol Comment, July 1996
South Carolina Policy Council
PolicyFax #2113108 (2 pp.)



Symposium: Are School-Voucher Programs for Parochial Schools a Good Idea?
by Daniel McGroarty and Nadine Strossen
Two observers disagree about the merits of allowing religious schools to participate in school-voucher programs. Daniel McGroarty, author of *Break These Chains: The Battle for School Choice*, believes it would be a good idea, as doing so would further liberate students from failing public school systems. ACLU president Nadine Strossen, however, believes that such a policy would be unconstitutional and would undermine the very goals sought by choice supporters.
Article, August 12, 1996
Insight on the News
PolicyFax #2184313 (4 pp.)

Massachusetts Charter School Profiles
Since August 1995 fifteen charter schools have opened for business in Massachusetts. The Boston-based Pioneer Institute has profiled each of those schools by surveying par-

Education
continued on page 7

Education
continued from page 6

ents and students to determine their perceptions of school performance relative to their prior school experiences.
Report, July 1996
Pioneer Institute for Public Policy Research
PolicyFax #2111302 (summary, 4 pp.)

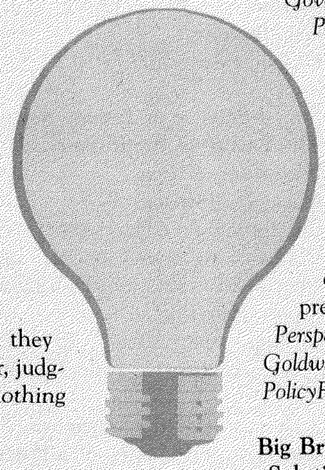
Hope for Milwaukee
by Daniel McGroarty
Milwaukee, the first city to offer school choice programs, is a testing ground for the rest of the nation. The preliminary results are promising.
Report Card, May-June 1996
Center for the Study of Popular Culture
PolicyFax #2184127 (5 pp.)

School Vouchers Serve Low-Income Families
by Deborah L. Owens
"Many of the opponents of school vouchers claim that they are designed to serve the rich and middle class. However, judging from the experience in Cleveland and Milwaukee, nothing could be further from the truth."
Perspective, June 8, 1996
Buckeye Institute for Public Policy Solutions
PolicyFax #2184126 (3 pp.)

Fifteen Percent of Eligible Cleveland Public School Children Apply for Vouchers
Of the more than six thousand Cleveland children whose parents applied for the city's pilot school voucher program, more than two-thirds came from students in public school. Over half of the applications came from low-income families.
Policy Note, June 12, 1996
Buckeye Institute for Public Policy Solutions
PolicyFax #2184128 (2 pp.)

A Review of Public School Reform from the Trenches
by John Murphy
A former school superintendent outlines six guidelines for an effective education revolution: 1) pursue change all at once, not incrementally; 2) abandon a one-size-fits-all approach to education; 3) demand more time for education; 4) introduce schools to market pressures; 5) hold schools, teachers, and administrators responsible for student failures; and 6) focus on the customers—students and parents.
Opportunity, Summer 1996
Education Leaders Council
PolicyFax #2166407 (6 pp.)

Union Sponsored Member Benefit Programs
by Myron Lieberman, Charlene K. Haar, and Leo Troy
Teacher union members receive generous fringe benefits, contributing to unions' size and influence. Excerpted from *The NEA and AFT: Teacher Unions in Power and Politics.*
Excerpt, 1994
Pro>Active Publications
PolicyFax #2180415 (15 pp.)



Enhancing the Viability of Independent Teacher Groups
by Milton Chappell
Teachers who resist joining the two largest teacher unions, the National Education Association and the American Federation of Teachers, often find themselves without a voice that speaks for them. This article explains the potential effectiveness of independent teacher unions. Includes the text of legislation introduced by Rep. Dick Armey "to remove any requirement that individual employees join or pay dues or fees to labor organizations."
Government Union Review, 1996
Public Service Research Foundation
PolicyFax #2180416 (part 1, 12 pp.)
#2180417 (part 2, 6 pp.)

Financing Higher Education: What Is the Role of the State?
By Michael K. Block, Mary Gifford, and Eric VonDohlen
Arizona's system of higher education finance forces educational preferences to take a back seat to legislative preferences.
Perspective, May 14, 1996
Goldwater Institute
PolicyFax #2132107 (2 pp.)

Big Brother Government Is Not a Solution to Education Crisis
by Stephanie Cecil
School-to-work reforms are innovative but ignore schools' primary responsibility: teaching kids to read, write, and do basic math.
Perspective, July 3, 1996
Texas Public Policy Foundation
PolicyFax #2172104 (2 pp.)

Cleveland City School District Performance Audit
An audit of the Cleveland City School District reveals that the district is in the midst of a financial crisis that is "perhaps unprecedented in the history of American education." This audit also provides a comprehensive strategic plan to help the district restore its financial viability.
Audit, March 15, 1996
State of Ohio
PolicyFax #2166106 (news release, 4 pp.)
#2166411 (introduction, 13 pp.)
#2166304 (executive summary, part 1, 15 pp.)
#2166305 (executive summary, part 2, 15 pp.)

How Congress Can Restore Local and Parental Control over Education
by Denis Philip Doyle and Christine L. Olson
It is time for Congress to close down the Department of Education, reassign appropriate federal functions to their proper place in the national government, and return authority to those who really should be responsible for the nation's schools.
Backgrounder, April 8, 1996
The Heritage Foundation
PolicyFax #2105401 (14 pp.)

ENVIRONMENT

The New Paradigm in Environmental Enforcement

by R. Kinnan Golemon and Laura D. Wolf

Sets forth the case for allowing businesses to conduct internal environmental audits, which will allow the companies to identify and fix problems without fear of punishment. Includes the full text of model legislation on this issue.

The State Factor, May 1996
American Legislative Exchange Council
PolicyFax #2392405 (14 pp.)

The Risks of Environmental Audits

by Tom Arrandale

In enacting laws that give special treatment to companies that conduct environmental audits to assess any pollution the businesses have been causing, have states relinquished too much authority to businesses?

Article, July 1996
Governing
PolicyFax #2392108 (3 pp.)

Urban Smog: How Bad a Health Hazard?

by John W. Merline

Medical research suggests that smog does not have long-term health effects. It is at worst a mild irritant, the effects of which are completely reversible.

Article, August 1995
Consumers' Research
PolicyFax #2303108 (4 pp.)

The Environmental Cancer Epidemic that Never Was

by Steven Milloy and Michael Gough

New EPA regulations concerning the risk of cancer associated with chemical exposures continue to misdiagnose the problem. "Assumptions in the guidelines and every cancer risk assessment made under the guidelines should be rigorously reviewed by independent scientists."

Regulation, 1996 Number 2
Cato Institute
PolicyFax #2312103 (4 pp.)

Sound Science or Pseudo Science: The Future of Environmental Education in Texas

by Duggan Flanakin

Environmental education in Texas schools is eschewing sound science in favor of emotionalism and a quasi-religious fervor.

Report, June 1996
Environmental Insider
PolicyFax #2394115 (introduction, 10 pp.)

Assessment of the Impact on the Automotive Industry of a Potential Ban on the Use of Chlorine Chemistry

A ban on only three of the major uses of chlorine in automotive components would produce no clear benefits but would impose billions of dollars in costs and harm the environment.

Case Studies, April 26, 1996
Competitive Analysis Centre, Inc.
PolicyFax #2315414 (8 pp.)

Moratorium Ends, but Wildlife Needs a Better Law

by Michael J. Bean

Applauds Congress's decision not to renew the moratorium on the addition of species to the endangered species list, but also recognizes that under the Endangered Species Act "private landowners have no incentive to protect species," and that "the current Act creates perverse incentives that harm species."

EDF Letter, July 1996
Environmental Defense Fund
PolicyFax #2321119 (1 p.)

Wave VII: A Nationwide Environmental Attitude Survey

The Council on Packaging in the Environment recently completed its latest survey of consumers' environmental attitudes. Get the results through *PolicyFax*.

Survey, March 1996
Council on Packaging in the Environment
PolicyFax #2394407 (15 pp.)

The GOP Goes Green

by Jonathan H. Adler

"Offering a moderated version of the conventional green agenda would be a sure recipe for disaster. Republicans will never outspend or out-regulate the Democrats, and efforts to 'me-too' the issue will look lukewarm and insincere. . . . The challenge to Republicans is to articulate an environmental vision that rejects extensive federal bureaucracies and embraces traditional principles of free enterprise and limited government."

Article, May 6, 1996
National Review
PolicyFax #2323136 (2 pp.)

A Winning Hand? The Uncertain Future of Environmental Justice

by Christopher Foreman, Jr.

Environmental justice is a more complicated issue than proponents of the theory make it. The health risk posed by environmental toxins is uncertain. Nor is it clear that environmental risks are the most serious health risks that minority communities face.

The Brookings Review, Spring 1996
The Brookings Institution
PolicyFax #2325403 (4 pp.)

Global Warming

Why So Cold and Stormy This Past Winter?
by Patrick J. Michaels and Robert E. Davis
Proponents of the global warming hypothesis argue that global warming, ironically, might cause increases in snowfall totals. But such reasoning ignores the actual physics of snowstorms.
Article, April 1996
Consumers' Research
PolicyFax #2329144 (3 pp.)

Heat Stroke or Heat Rash
by Thomas Gale Moore
A year ago over five hundred people died in Chicago, ostensibly due to the record high temperatures that some claim were the result of global warming. But a second look reveals that such a view is misinformed.
Article, July 22, 1996
World Climate Report
PolicyFax #2329146 (1 p.)

Cool Climate
by Jonathan H. Adler
A reasoned critique of global warming theories, and a plea to consider the potentially devastating consequences of carbon dioxide reduction strategies.
UpDate, July 1996
Competitive Enterprise Institute
PolicyFax #2329145 (2 pp.)

Global Warming Treaty Costs for the U.S.
by H. Sterling Burnett
"[A]ny future global climate change commitments should be based on sound scientific evidence and a careful consideration of the economic and social costs involved. They should not be driven by questionable theories and value judgments made by unelected, unaccountable bureaucrats and environmental advocates."
Brief Analysis, September 6, 1996
National Center for Policy Analysis
PolicyFax #2329311 (2 pp.)

Climate Change and Its Consequences
Uncertainties about global warming risks and response costs make it difficult to formulate a specific long-term action plan. According to the Intergovernmental Panel on Climate Change, however, the potential risks are sufficient to warrant additional actions beyond those now under way.
Resources, Summer 1996
Resources for the Future
PolicyFax #2329410 (4 pp.)

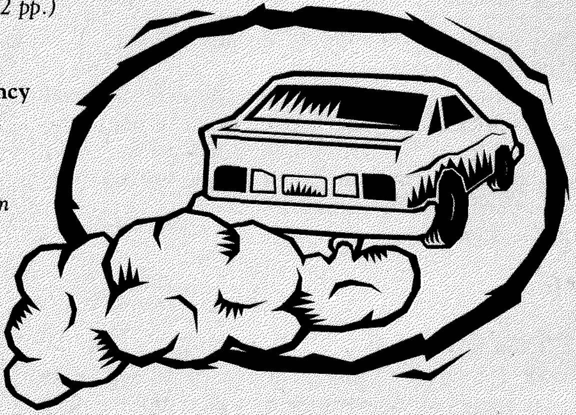
Automobiles

The False Promise of Electric Cars
by Eric Peters
Electric cars are not the promising new technology of tomorrow that "will liberate us from dirty and unhealthful internal combustion. Electric cars have a number of serious liabilities that haven't yet been overcome, despite nearly a century of trying."
Article, August 1995
Consumers' Research
PolicyFax #2305123
(6 pp.)

How Much Will Electric Vehicle Subsidies Cost Your State?
Many states have adopted or are considering electric vehicle mandates similar to California's requirement that 10 percent of all new cars offered for sale annually in the state be electric starting in 2003. Such requirements will cost federal, state, and local taxpayers billions, while having no measurable impact on air quality.
Press Release, July 1996
Californians Against Hidden Taxes
PolicyFax #2305126 (4 pp.)

Proposed Model Resolution: CAFE
A model resolution that directs Congress to freeze CAFE standards for cars and light trucks at current levels. Fuel efficiency should be encouraged through market incentives and technological change.
Resolution, 1996
Coalition for Vehicle Choice
PolicyFax #7212603(2 pp.)

Symposium: Are Higher Fuel-Efficiency Standards a Good Idea?
by John Adams and Sen. Spencer Abraham
Two perspectives on the desirability of fuel economy standards. John Adams, executive director of the Natural Resources Defense Council, argues that higher CAFE standards "are the single most important step to reduce fundamentally America's excessive dependence on oil and to limit vulnerability to climate change." Michigan senator Spencer Abraham says CAFE reduces consumer choice and safety while not having a measurable impact on air pollution.
Article, July 1-8, 1996
Insight on the News
PolicyFax #7212115 (3 pp.)



Autos Save Energy
by Sharon Sarmiento
Increases in fuel efficiency have made cars more energy-efficient than are buses and trains. "So, should government now encourage people to use cars to save energy?" Sarmiento writes. "Or is there a way to reverse the trend toward single-occupant automobiles and attract more passengers into transit?"
Access, Spring 1996
University of California Transportation Center
PolicyFax #2322116 (2 pp.)

Is the U.S. Heading for a National Fuel Standard?
by Joel Bucher
Federal fuel standards have failed to improve air quality for most Americans, but have substantially increased the cost of driving for many consumers.
Issue Analysis, July 23, 1996
Citizens for a Sound Economy
PolicyFax #2305412 (11 pp.)

See also **Transportation** on page **21**.

ENVIRONMENT

Agriculture

How Pesticides Help Prevent Cancer
by Dennis T. Avery
By helping us provide an abundance of the low-cost, attractive fruits and vegetables that are humanity's best defense against cancer and heart disease, the gains from pesticide use far outweigh their risks.
Article, June 1995
Consumers' Research
PolicyFax #2364106 (6 pp.)

Major New Report Confirms Safety of Current Pesticide Use
Neither pesticide residues nor natural carcinogens in our food pose a threat to the world's food supply. The primary cancer risk from our food is that we eat too much of it, especially too much fat.
Global Food Quarterly, Spring 1996
Hudson Institute
PolicyFax #2364104 (2 pp.)

Green Locusts Seek to Ravage Bounties of Modern Farming
by David Rothbard and Craig Rucker
Environmentalists condemn modern farming for poisoning the land with chemicals and taking up too much room, thereby destroying wildlife habitat and fertile soil. But these critics badly miss the point. Modern agriculture has been a dramatic success and "is nothing short of an unequivocal blessing for all of mankind."
Citizen Outlook, July/August 1996
Committee for a Constructive Tomorrow
PolicyFax #0400114 (2 pp.)

Diversifying U.S. Crop Production
Proposes the Jefferson Initiative, a "substantial, long-term, and coordinated framework necessary for the creation of a successful national strategic program in new-crops development."
Issue Paper, February 1996
Council for Agricultural Science and Technology
PolicyFax #0400411 (12 pp.)

Nuclear Energy Institute

featured Organization

The Nuclear Energy Institute (NEI) is the nuclear energy industry's Washington, D.C.-based trade association. A private, nonprofit organization, the Institute implements industry policy initiatives and serves as a clearinghouse for information on all domestic and international nuclear energy issues. Call 202/739-8000, or visit NEI's World Wide Web site at http://www.nei.org.

The Benefits of Nuclear Energy: Energy Security, Environmental Protection
Between 1973 and 1993 U.S. nuclear power plants displaced 2.1 billion barrels—or $63 billion—worth of oil. Nuclear power enables us to reduce our dependence on foreign sources of energy.
Fact Sheet, 1996
Nuclear Energy Institute
PolicyFax #2356408 (1 p.)

Nuclear Energy and the Environment
Since 1973 U.S. nuclear power plants have reduced the cumulative amount of carbon dioxide emissions by 1.9 billion metric tons of carbon. Nuclear energy is a clean energy source that is environment-friendly.
Fact Sheet, 1996
Nuclear Energy Institute
PolicyFax #2356301 (10 pp.)

Plants Designed for Safety
Nuclear power plants are designed, first and foremost, for safety. Elaborate safety mechanisms are in place, built to withstand disasters such as earthquakes, tornadoes, floods, and even "a direct hit from most passenger planes."
Fact Sheet, 1996
Nuclear Energy Institute
PolicyFax #2356104 (2 pp.)

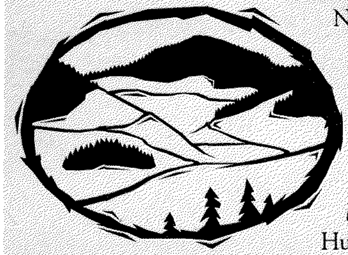
Three Mile Island
On March 28, 1979, the only major accident in the history of commercial nuclear energy in the United States occurred at Three Mile Island. The accident caused no immediate injuries or deaths, and research conducted by the Pennsylvania Department of Health, the National Cancer Institute, and the National Institutes of Health, among others, has "shown no evidence of an increase in cancer, infant mortality, leukemia, or other direct health effects among people living in the vicinity of the plant."
Fact Sheet, 1996
Nuclear Energy Institute
PolicyFax #2356103 (2 pp.)

Radiation and Health
In small doses, such as those produced by a nuclear power plant, radiation poses no threat to human health. *Did you know* that 82 percent of the radiation to which the public is exposed every year comes from natural sources.
Fact Sheet, October 1995
Nuclear Energy Institute
PolicyFax #2356302 (9 pp.)

ENVIRONMENT

Property Rights

Conservation: Native American Style
by Terry L. Anderson
This paper examines historical and anthropological literature to show that private property rights were an important characteristic of many Native American tribes.
Policy Series, July 1996
PERC
PolicyFax #2355401 (16 pp.)



Trails on Trial
by Karen Ann Coburn
Hundreds of hiking trails nationwide are built on abandoned railbeds. Many landowners living alongside them, however, object to the trails because they promote trespassing and crime and lower property values. Now landowners are fighting back, arguing that such policies constitute takings.
Article, August 1996
Governing
PolicyFax #2374101 (2 pp.)

Privatizing the Public Lands
by B. Delworth Gardner
Resource allocation on public lands would be more efficient if the land were privatized.
Policy Study, July 1996
The Sutherland Institute
PolicyFax #2368410 (part 1, 9 pp.)
#2368411 (part 2, 9 pp.)

How to Talk about Property Rights: Why Protecting Property Rights Benefits All Americans
by John Shanahan
These talking points from The Heritage Foundation explain why Congress should protect property owners from "federal bureaucrats who increasingly resort to these regulations to take control of private property without regard to the burden imposed on American citizens and families."
Talking Points, June 19, 1996
The Heritage Foundation
PolicyFax #2366416 (6 pp.)

FAMILY

The Adoption Option: Compassion that Works
by Ken Connor and Camille Godwin
An increased emphasis on adoptions is a win-win situation. It provides a loving option for at-risk children while giving thousands of would-be parents the opportunity they've been seeking.
Outside the Lines, June 12, 1996
Foundation for Florida's Future
PolicyFax #2406401 (14 pp.)

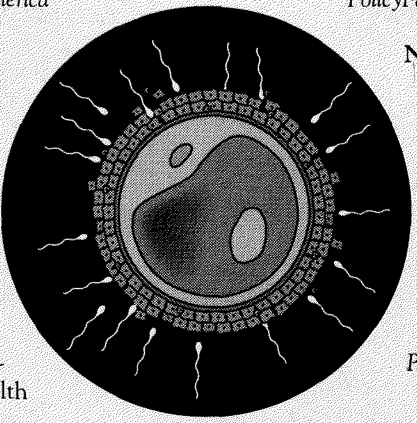
Planned Parenthood Federation of America

Featured Organization

Planned Parenthood Federation of America is the world's oldest and largest voluntary reproductive health care organization. Tracing its origins to the first birth control clinic in America founded in 1916, Planned Parenthood is dedicated to the principle that every individual has the fundamental right to choose when or whether to have children. Call 212/541-7800, or visit Planned Parenthood's World Wide Web site at http://www.ppfa.org/ppfa/index.html.

Born Unwanted: Developmental Consequences for Children of Unwanted Pregnancies
Children born to mothers who did not want to bear them suffer a wide range of emotional, intellectual, and functional disorders.
Fact Sheet, n.d.
Planned Parenthood Federation of America
PolicyFax #2404107 (5 pp.)

Abortion & Waiting Period/Mandatory Information Laws
"Informed consent" legislation mandating that women be given a specific list of state-dictated information designed to discourage them from having an abortion is "nothing less than harassment that exacerbates a difficult decision." In addition, "waiting periods can increase the health risk of the procedure and cause other hardship, especially to poor and rural women, for whom two trips to an abortion clinic can pose severe financial and personal problems."
Fact Sheet, n.d.
Planned Parenthood Federation of America
PolicyFax #2404108 (5 pp.)



Nine Reasons Why Abortions Are Legal
Planned Parenthood provides nine reasons—including those of health, safety, and individual liberty—why abortion should remain a legal option for American women.
Brochure, n.d.
Planned Parenthood Federation of America
PolicyFax #2404106 (4 pp.)

GOVERNING

The Devolution Revolution: Why Congress Is Shifting a Lot of Power to the Wrong Levels
by Anthony Downs
"As Congress shifts many now-federal powers to lower levels of government, it is missing a unique opportunity to resolve a fundamental flaw in America's governance structure: the absence of any authority at the metropolitan-regional level."
Policy Brief, July 1996
The Brookings Institution
PolicyFax #0852108 (4 pp.)

How Government Wastes Your Money
compiled by Ronald D. Utt, Ph.D.
Two documents detailing some of the most obvious cases of money-wasting by the federal government. One such example was a $300,000 HUD-sponsored junket to visit Puerto Rican casinos.
F.Y.I., May 31, 1996
The Heritage Foundation
PolicyFax #2800421 (part 1, 3 pp.)
#2800422 (part 2, 4 pp.)

The Future of Government
by William D. Eggers, John O'Leary, and Ted Gaebler
Three experts on reforming local government debate how best to accomplish that goal. Gaebler is coauthor of the best-seller, *Reinventing Government.* Eggers and O'Leary are coauthors of the acclaimed *Revolution at the Roots: Making Government Smaller, Better and Closer to Home.*
Debate, July 1996
Reason Foundation
PolicyFax #2800206 (part 1, 12 pp.)
#2800207 (part 2, 10 pp.)

Liberating People for Self-Government
by Stephen Goldsmith
The mayor of Indianapolis argues that big government cannot create the wealth that arises naturally from a climate of freedom and competition.
Lecture, April 25, 1996
The Heritage Foundation
PolicyFax #2800208 (5 pp.)

Wanted: A Line between Public and Private
by Lawrence W. Reed
Government expansion has blurred the distinction between "public" and "private" in Michigan and around the nation.
Viewpoint, June 3, 1996
Mackinac Center for Public Policy
PolicyFax #2865101 (2 pp.)

Liberty Falls Victim to Terrorist Specter
by Paul Craig Roberts
"The so-called anti-terrorism bill destroys every safeguard against tyranny that centuries of struggle against oppression have put in the law. Habeas corpus would bite the dust, along with bans against secret trials and secret evidence."
Article, April 29, 1996
Insight on the News
PolicyFax #2800124 (1 p.)

Assembly Transformed: The Early Effects of Term Limits in Arkansas
by Donald V. Weatherman
Term limits have already transformed the Arkansas legislature, even though nobody will be prohibited from running for office by the law until 1999.
Outlook, May 1996
U.S. Term Limits
PolicyFax #2880409 (12 pp.)

Guide to the Issues
from the Alabama Family Alliance

featured Organization

The Alabama Family Alliance has released its Guide to the Issues 1996, *a publication designed to provide busy legislators, reporters, and laypersons a general overview of important public policy issues. The guide, available in its entirety through* PolicyFax, *is a useful reference for anyone wishing to stay informed about the issues affecting each of us. Call 205/870-9900 for more information about the Alabama Family Alliance.*

Government
Balanced budgets, regulatory burdens, the United Nations, term limits, and more.
PolicyFax #2800505 (part 1, 10 pp.)
#2800506 (part 2, 7 pp.)

Taxes
Tax reform proposals, capital gains taxes, the marriage penalty, estate taxes, and more.
PolicyFax #8000519 (part 1, 14 pp.)
#8000520 (part 2, 13 pp.)

Welfare
Illegitimacy, the "family cap," job training, Medicaid, welfare costs, private alternatives to public welfare, and more.
PolicyFax #9200505 (part 1, 10 pp.)
#9200506 (part 2, 9 pp.)

Health Care
Managed competition, medical savings accounts, Medicare, insurance portability, insurance risk pools, and more.
PolicyFax #3200507 (15 pp.)

Education
Goals 2000, outcome-based education, school choice, and charter schools.
PolicyFax #2100506 (11 pp.)

Environment
Endangered species protection, public lands, property rights issues, risk assessment, fuel economy standards, the Clean Air Act, and Superfund.
PolicyFax #2300507 (15 pp.)

Crime
The causes of crime, juvenile crime, prison funding, gun control, and more.
PolicyFax #1300506 (10 pp.)

Gambling
Gambling's economic and social costs, state lotteries, Native American gambling, and more.
PolicyFax #0828501 (11 pp.)

Social Issues
Abortion, adoptions, euthanasia, pornography, women in combat, same-sex marriages, and more.
PolicyFax #2400507 (part 1, 12 pp.)
#2400508 (part 2, 11 pp.)

Nutrition Accuracy in Popular Magazines
by Diane Woznicki
The American Council on Science and Health has conducted its sixth survey in an ongoing series that has tracked magazine nutrition reporting since 1982. The survey discovered an improvement in nutrition reporting in the twenty magazines examined. *Consumer Reports*, *Better Homes and Gardens*, and *Parents* rated highest; *Cosmopolitan*, with only a 69 percent accuracy rating, fared worst in the survey.
Special Report, May 1996
American Council on Science and Health
PolicyFax #3258401 (15 pp.)

What's the Threat of Chemicals in Food?
Chemicals in people's diets pose a much smaller risk of cancer than does a diet rich in calories and fats or alcohol. Excerpted from a report from the National Academy of Sciences.
Article, April 1996
Consumers' Research
PolicyFax #0400113 (5 pp.)

American Cancer Society

featured Organization

The American Cancer Society is the nationwide, community-based, voluntary health organization dedicated to eliminating cancer as a major health problem by preventing cancer, saving lives, and diminishing suffering from cancer, through research, education, advocacy, and service. Call 800/227-2345, or visit the American Cancer Society's World Wide Web site at http://www.cancer.org.

Cancer: Basic Facts
The American Cancer Society answers basic questions about cancer, including What is cancer? What causes cancer? How many people alive today have ever had cancer? How many new cases will there be this year? Includes many more. *Fact*: One out of every four deaths in the United States is from cancer.
Facts and Figures, 1996
American Cancer Society
PolicyFax #3210101 (5 pp.)

Cancer: Prevention
Researchers estimate that if everything known about the prevention of cancer were applied, up to two-thirds of cancers would not occur. Includes explanations of how individuals can make certain health choices that might reduce their risk of cancer.
Facts and Figures, 1996
American Cancer Society
PolicyFax #3210102 (5 pp.)

National Cancer Centers and American Cancer Society Divisions
A two-page list of cancer treatment centers nationwide.
American Cancer Society
PolicyFax #3210103 (2 pp.)

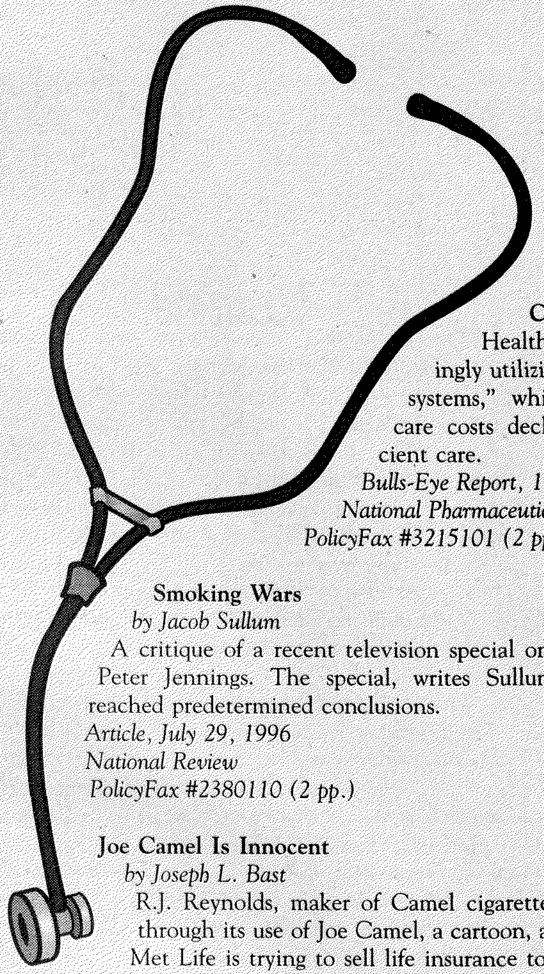
Medicare

Medicare Medical Savings Accounts: A Debate
by John Burry and M. Stanton Evans
The chairman and CEO of Blue Cross & Blue Shield of Ohio and the publisher of *Consumers' Research* debate the merits of converting Medicare into a medical savings account plan.
Article, April 1996
Consumers' Research
PolicyFax #3253114 (4 pp.)

The Medicare Program: The Need for Radical Surgery
by Merrill Matthews, Jr.
"While reforms offered by the Republicans and Democrats might avert Medicare's immediate bankruptcy, what is needed is a long-term solution. Replacing Medicare with a fully funded private program is the only long-term solution."
Brief Analysis, July 3, 1996
National Center for Policy Analysis
PolicyFax #3254301 (2 pp.)

Urgent Action Needed on Medicare
by Stuart M. Butler
The latest annual report of the Medicare Board of Trustees underscores the severe financial plight of the program and the urgent need for structural reform. Without reform, Medicare will be bankrupt after 2001.
F.Y.I., June 17, 1996
The Heritage Foundation
PolicyFax #3254102 (3 pp.)

HEALTH CARE



Disease Management Systems—The "Total Care" Approach

Health care plans are increasingly utilizing "disease management systems," which ensure that health care costs decline through more efficient care.

Bulls-Eye Report, 1996
National Pharmaceutical Council
PolicyFax #3215101 (2 pp.)

Smoking Wars

by Jacob Sullum

A critique of a recent television special on tobacco use hosted by Peter Jennings. The special, writes Sullum, was misleading and reached predetermined conclusions.

Article, July 29, 1996
National Review
PolicyFax #2380110 (2 pp.)

Joe Camel Is Innocent

by Joseph L. Bast

R.J. Reynolds, maker of Camel cigarettes, is not targeting kids through its use of Joe Camel, a cartoon, as its spokesman—unless Met Life is trying to sell life insurance to kids by having Snoopy pitch its products.

Perspective, August 21, 1996
The Heartland Institute
PolicyFax #2380112 (3 pp.)

What the Doctor Orders

by Jacob Sullum

By treating risky behavior like a communicable disease, the public health establishment invites government to meddle in our private lives. "Having vanquished most epidemics, [the public health establishment] has turned its attention to metaphorical 'epidemics' such as smoking, obesity, and suicide."

Priorities, 1996
American Council on Science and Health
PolicyFax #3265401 (9 pp.)

Health Care: How Much? Who Pays?

America has the best health care in the world. The major problems with our current system are economic, not medical. The solution to our health care "crisis," therefore, lies in changing the way the system is financed.

Research Report, August 12, 1996
American Institute for Economic Research
PolicyFax #3200104 (4 pp.)

Medical Savings Accounts

Medical Savings Account Legislation: The Good, the Bad, and the Ugly

New legislation permitting medical savings accounts on a trial basis doesn't go nearly far enough. But it's a good start and the beginning of "a new era in which patients and their doctors—not faceless bureaucrats—determine the kind of medical care Americans receive."

Brief Analysis, August 19, 1996
National Center for Policy Analysis
PolicyFax #3253117 (2 pp.)

Why Medisave Accounts Make Sense

by Michael Tanner

"Medical savings accounts may not be perfect, but they represent a significant step in solving the problems facing our health care system."

Article, August 1996
Consumers' Research
PolicyFax #3253115 (4 pp.)

MSAs: Panacea or Placebo?

by Tom Miller

Medical savings accounts are, depending on whom you ask, a sure-fire cure or a dangerous curse for the nation's health insurance problems. The truth actually lies somewhere in between.

UpDate, July 1996
Competitive Enterprise Institute
PolicyFax #3253116 (3 pp.)

The Establishment Strikes Back: Medical Savings Accounts and Adverse Selection

by Peter Ferrara

Opponents of medical savings accounts argue that MSAs would appeal only to the healthy, leaving traditional Medicare to serve the sick and resulting in large cost increases to the system. But "both actuarial studies and experience in the private sector show that MSAs will appeal to a wide cross section of the elderly, regardless of their health status."

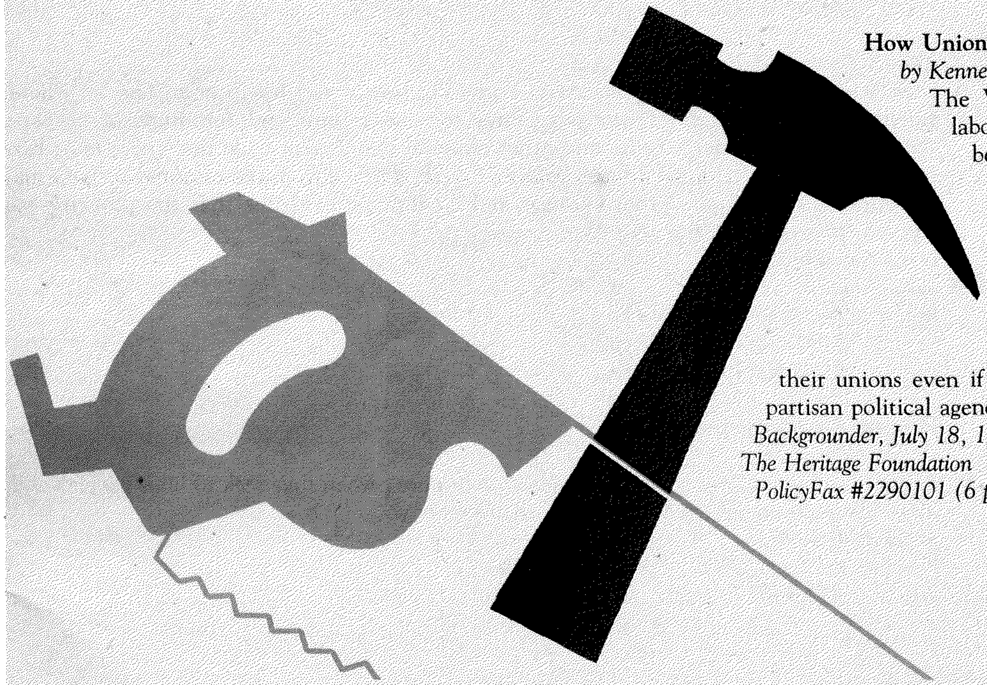
Briefing Paper, April 4, 1996
Cato Institute
PolicyFax #3253415 (13 pp.)

Minimum Wage, Maximum Hypocrisy
by Brad Furnish
The economists who signed a call for an increase in the minimum wage find "ample" cause to believe that the increase will not produce significant amounts of unemployment. If only the economists had read their own textbooks.
Article, June 1996
K.C. Jones
PolicyFax #2250103 (1 p.)

Some Surprising Quotes on the Minimum Wage
compiled by John S. Tottie
One hundred and one economists recently signed the "Statement of Support for a Minimum Wage Increase," but not all of those economists have unreserved praise for the proposal, as is made evident by this collection of quotes compiled by Citizens for a Sound Economy.
Issue Analysis, June 12, 1996
Citizens for a Sound Economy
PolicyFax #2250101 (6 pp.)

Card-Kreuger's Minimum Wage Study Flawed, Misinterpreted
by John S. Tottie
One of the most frequently cited studies arguing that minimum wage laws don't impact employment levels suffers from bad data and timing, utilizes unjustified extrapolation, and lacks a theoretical framework to explain its results.
Issue Analysis, June 18, 1996
Citizens for a Sound Economy Foundation
PolicyFax #2250402 (part 1, 13 pp.)
#2250403 (part 2, 8 pp.)

Bad Solution for the Wrong Problem
by Herman Cain
Herman Cain, president of Godfather's Pizza, Inc. and president of the National Restaurant Association, argues that a minimum-wage increase would cause more harm than good by denying people the opportunity to learn valuable new skills.
The American Enterprise, July/August 1996
American Enterprise Institute
PolicyFax #2250102 (2 pp.)



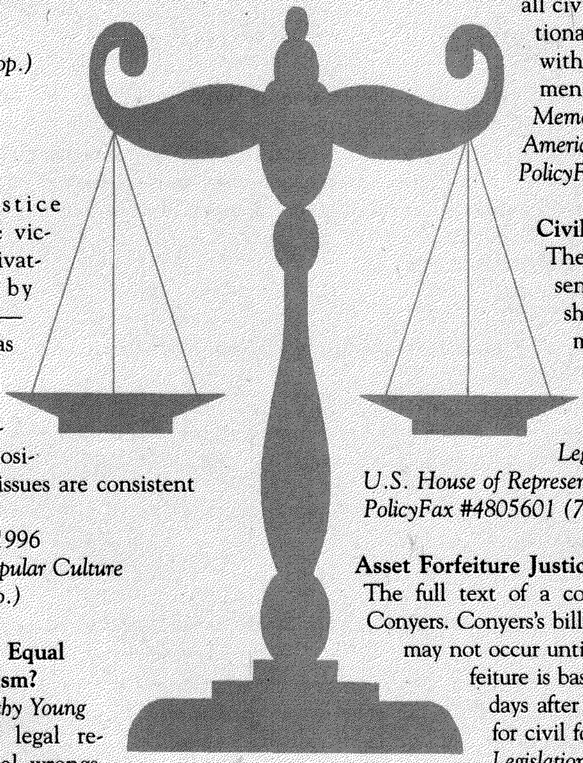
How Unions Deny Workers' Rights
by Kenneth R. Weinstein and Thomas M. Wielgus
The Worker Right to Know Act would require labor unions to get permission from their members before using mandatory dues for politicking and other activities unrelated to collective bargaining. This proposal would give "union members the power to choose for themselves whether to give their money to political causes and [make] it indisputably clear that workers can continue to participate fully in the activities of their unions even if they choose not to support the AFL-CIO's partisan political agenda."
Backgrounder, July 18, 1996
The Heritage Foundation
PolicyFax #2290101 (6 pp.)

LAW

Judicial Mandates Conference
by Rep. John Shadegg and Sen. Jon Kyl
Two members of the U.S. Congress speak on the appropriate scope of the federal judiciary's role in monitoring and limiting the discretion of state governments.
Outlook, November 1995
Goldwater Institute
PolicyFax #4832201 (10 pp.)

Justice Thomas:
The Record Speaks
by Steven Smith
Supreme Court Justice Clarence Thomas is the victim of ideologically motivated attacks issued by the media. The attacks—which portray Thomas as an ineffectual and second-rate thinker—are unfair. Thomas's "writings are cogent and his positions on Constitutional issues are consistent and provocative."
The Defender, May/June 1996
Center for the Study of Popular Culture
PolicyFax #9900107 (6 pp.)

Feminist Jurisprudence: Equal Rights or Neo-Paternalism?
By Michael Weiss and Cathy Young
Many feminist-initiated legal reforms have addressed real wrongs. But courts and legislatures should resist efforts to limit individual rights in the guise of protecting women as a class, and reaffirm the principle of equality before the law regardless of gender.
Policy Analysis, June 19, 1996
Cato Institute
PolicyFax #1224401 (part 1, 14 pp.)
#1224402 (part 2, 11 pp.)
#1224403 (part 3, 14 pp.)
#1224404 (part 4, 11 pp.)
#1224405 (part 5, 17 pp.)



Forfeiture Reform

Memo on Civil Forfeiture Reform Legislation
An analysis by the Illinois chapter of the ACLU on two congressional bills, the Civil Asset Forfeiture Reform Act and the Asset Forfeiture Justice Act. The ACLU "believes that all civil forfeiture schemes inherently violate fundamental constitutional rights, including the right not to be deprived of property without due process of law and the right to be free from punishment that is disproportionate to the offense."
Memorandum, February 1, 1996
American Civil Liberties Union
PolicyFax #4805101 (10 pp.)

Civil Asset Forfeiture Reform Act
The full text of a congressional bill introduced by Illinois representative Henry Hyde. Hyde's bill would, among other reforms, shift the burden of proof from the defendant to the government, provide for the appointment of counsel for indigent defendants in forfeiture hearings, provide for an "innocent owner" defense for property owners, and allow a thirty-day period for property owners to contest forfeiture.
Legislation, 1995
U.S. House of Representatives
PolicyFax #4805601 (7 pp.)

Asset Forfeiture Justice Act
The full text of a congressional bill introduced by Michigan representative John Conyers. Conyers's bill would, among other reforms, require that forfeiture of property may not occur until the owner has been convicted of a crime upon which the forfeiture is based, require that notice be sent to the owner no later than sixty days after the property is seized, and raise the standard of proof required for civil forfeiture proceedings to clear and convincing evidence.
Legislation, 1993
U.S. House of Representatives
PolicyFax #4805602 (part 1, 13 pp.)
#4805603 (part 2, 14 pp.)

Illinois Asset Forfeiture Justice Act
Legislation that would create the Asset Forfeiture Justice Act for Illinois. The act would, among other reforms, establish procedures for the seizure and forfeiture of property acquired from narcotics activity and other criminal offenses; provide that there must be a conviction for the criminal offense before property derived from the criminal activity may be forfeited; and require proof by clear and convincing evidence that the property was derived from the criminal activity.
Legislation, 1996
State of Illinois
PolicyFax #4805604 (part 1, 14 pp.)
#4805605 (part 2, 12 pp.)
#4805606 (part 3, 10 pp.)

Historic Preservation on Wheels
by Jack Down
Argues that over-zealous governments abuse their power when they seek to limit people's ability to maintain unregistered vehicles on their property.
Article, July 1996
Planning and Zoning News
PolicyFax #7299401 (6 pp.)

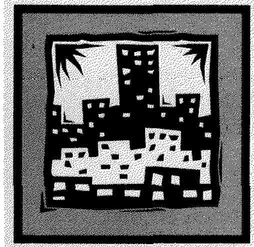
PRIVATIZATION

Privatization: The Road Ahead?

by Eric Peters

Examines the Dulles Greenway, a suburban Washington, D.C. highway that is "the nation's first privately financed and operated for-profit toll road in modern times." Peters writes that the "experiment will likely portend much about the future of private involvement in infrastructure development around the country—whether it succeeds or fails."

Article, April 1996
Consumers' Research
PolicyFax #8105122 (5 pp.)



Now It's Really Time to Free the Mails

by Carolyn Lochhead

The U.S. Postal Service continues to fail at its most basic function: delivering the mail reliably. Only when the Postal Service is exposed to competition will mail delivery improve.

Article, March 1995
Consumers' Research
PolicyFax #6564107 (4 pp.)

When Will Your Hometown Be Ready for Privatization?

By John Crawford

A city councilman from Fort Wayne, Indiana, explains how to privatize at the municipal level. Includes a valuable reading list.

Indiana Policy Review, June-July 1996
Indiana Policy Review Foundation
PolicyFax #6500407 (8 pp.)

Designing Comprehensive Privatization Programs for Cities

by John Stainback and Paul Kengor

A how-to guide for municipal-level privatizers, emphasizing the unique opportunities facing Pittsburgh.

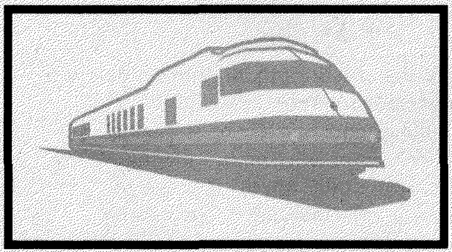
Report, April 1996
Allegheny Institute and Reason Foundation
PolicyFax #6532403 (part 1, 7 pp.)
#6532404 (part 2, 17 pp.)

Competitive Contracting of Transit Services

by Jean Love, Wendell Cox, and Grant Gulibon

A guide for policymakers interested in contracting out management of public transit systems. Includes a special emphasis on Allegheny County, Pennsylvania.

Report, August 1995
Allegheny Institute and Reason Foundation
PolicyFax #6532405 (part 1, 15 pp.)
#6532406 (part 2, 13 pp.)
#6532407 (part 3, 9 pp.)



REGULATION

State Regulations

California Dreaming?

by Edward L. Hudgins

In April 1996 California governor Pete Wilson released a report titled *Competitive Government: A Plan for Less Bureaucracy, More Results*. This brief article analyzes the major objectives stated in the report, and outlines future challenges California must face to reduce the burden of government regulation.

Regulation, 1996 Number 2
Cato Institute
PolicyFax #2875101 (3 pp.)

Rhetoric vs. Reality: New Jersey Regulatory Reform

by Dana C. Joel

Despite some notable successes, New Jersey governor Christine Todd Whitman has not matched her rhetoric with action when it comes to reducing New Jersey's regulatory burden.

Regulation, 1996 Number 2
Cato Institute
PolicyFax #7277401 (10 pp.)

State Regulatory Measures

by Edward L. Hudgins

Although federal regulations impose enormous costs on businesses, state governments implement "an equal number of suicidal regulatory policies, which too often are masked by the effects of federally imposed regulatory burdens."

Regulation, 1996 Number 2
Cato Institute
PolicyFax #7277101 (10 pp.)

Virginia's Deregulatory Challenge: A Promising Start

by Susan Eckerly

Under governor George Allen, Virginia has emerged as a leader in the effort to reduce burdensome state-level regulations.

Regulation, 1996 Number 2
Cato Institute
PolicyFax #7277402 (8 pp.)

REGULATION

Spectrum Privatization: Removing the Barriers to Telecommunications Competition
by David Colton

Presents a three-phase plan that would privatize the nation's spectrum and lead to competition in America's telecommunications industry. Colton estimates that such privatization could save the nation between $100 billion and $300 billion.

Policy Study, July 1996
Reason Foundation
PolicyFax #7280404 (part 1, 11 pp.)
#7280405 (part 2, 13 pp.)

A Nine Point Checklist for FCC Reform
by Wayne A. Leighton

Despite positive reforms, a significant number of unnecessary telecommunications rules and regulations remain. Includes a list of opportunities for the FCC to regulate less, to the benefit of both the industry and its consumers.

Issue Analysis, July 9, 1996
Citizens for a Sound Economy
PolicyFax #7280406 (16 pp.)

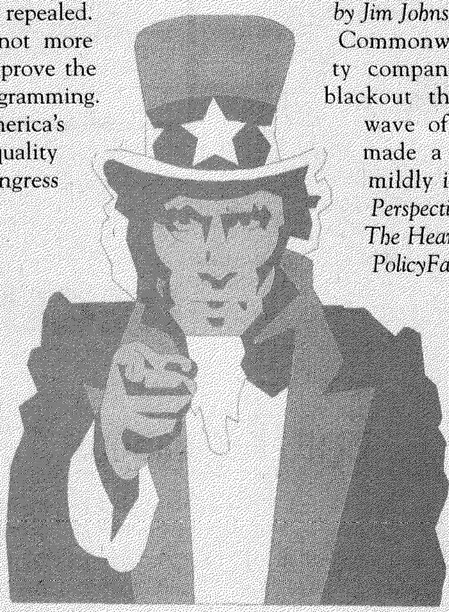
How to Improve the Quality of Children's Television
"Regulations like the Children's Television Act do not benefit children and should be repealed. Intense rivalry for viewer allegiance, not more federal mandates, is the only way to improve the quality and amount of children's programming. Auction off more spectrum, and America's children will be offered the kind of quality programming they deserve and Congress desires."

Executive Memorandum, May 20, 1996
The Heritage Foundation
PolicyFax #2410102 (2 pp.)

Is New York City Killing Entrepreneurship?
by William H. Mellor

"Today, tens of thousands of New Yorkers seeking to follow a rich tradition of entrepreneurship face a bewildering array of laws and regulations that prevent or stifle enterprise. . . . [A]ny or all of the self-employed entrepreneurs described in this report face daunting government harassment—and even arrest—at a moment's notice for the 'crime' of pursuing productive livelihoods."

Report, 1996
Institute for Justice
PolicyFax #1920401 (part 1, 13 pp.)
#1920402 (part 2, 8 pp.)
#1920403 (part 3, 11 pp.)



Understanding Electricity Deregulation in Philadelphia
by Jake Haulk

A primer on electricity deregulation for policymakers around the country.

Report, June 1996
Allegheny Institute
PolicyFax #7275406 (part 1, 10 pp.)
#7275407 (part 2, 10 pp.)

Competition in Electric Power: Strategies for Reform
by Doug Bandow

States must take the lead to introduce competition to the electric power industry. Such a change will provide American consumers with better service at lower cost.

Policy Report, July 1996
John Locke Foundation
PolicyFax #7275408 (part 1, 15 pp.)
#7275409 (part 2, 11 pp.)
#7275410 (part 3, 15 pp.)
#7275411 (part 4, 9 pp.)
#7275412 (part 5, 15 pp.)

Is ComEd a Good Pig?
by Jim Johnston

Commonwealth Edison, Chicago's electric utility company, has been criticized for a partial blackout that occurred during the severe heat wave of 1995. But ComEd's adroit handling made a potentially disastrous situation only mildly inconvenient.

Perspective, August 19, 1996
The Heartland Institute
PolicyFax #7275112 (2 pp.)

Telemarketing Legislation Coast to Coast
by Mag Gottlieb

A summary of current legislation affecting telemarketing regulation in a number of states.

Article, July 1996
Telemarketing and Call Center Solutions
PolicyFax #7280102 (1 p.)

Travelers Benefit from Airline Deregulation
by John H. Anderson, Jr.

Airline deregulation has, on balance, been a boon to travelers. Fares have, for the most part, decreased substantially; 78 percent of American airports have seen an increase in the number of departures; and airline safety has improved.

Article, July 1996
Consumers' Research
PolicyFax #8114403 (4 pp.)

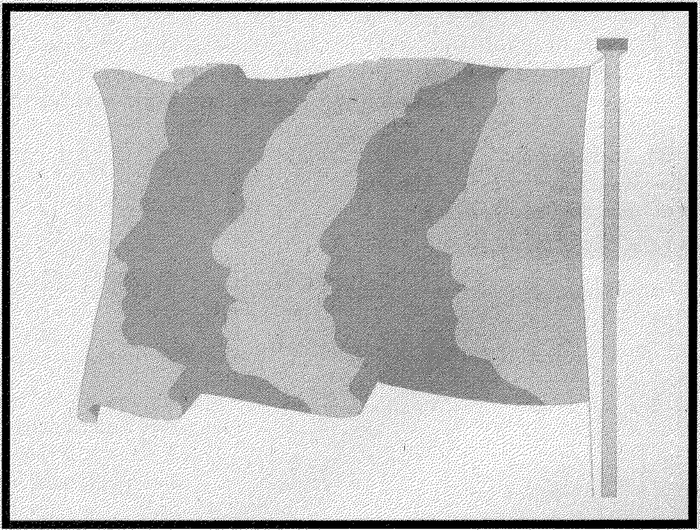
SOCIETY

It's Time to Give Charity a Boost
by Rep. Mark Souder
Misguided federal tax policies have discouraged charitable giving in America. "More than half of American citizens volunteered their *time* to charities in 1991, and most of them were members of the middle class. Yet donations of money have not kept apace with inflation, and giving as a percentage of personal income has dropped from the record highs of the early 1980s."
Policy Insights, August 1996
Free Congress Foundation
PolicyFax #6401101 (2 pp.)

Toward a Civil Society
by Lawrence W. Reed
"If people took better care of themselves, their families, and those in need around them, government would shrink and society would be stronger as a result."
Viewpoint, July 8, 1996
Mackinac Center for Public Policy
PolicyFax #2400120 (2 pp.)

The Arts: Too Important to Depend on Politics
by George C. Leef
The arts are far too important to be dependent on government. "Just because something is 'good' doesn't mean that it must be supported by government."
Viewpoint, June 3, 1996
Mackinac Center for Public Policy
PolicyFax #0800114 (2 pp.)

Gambling in California: Win or Lose?
"Expansion of legalized gambling into cities and states seems to be a bad bet." Studies have shown that areas adopting legalized gambling experience increases in crime and do not see economic benefits from the practice.
California Backgrounder, October 1995
Capitol Resource Institute
PolicyFax #0828106 (4 pp.)



TAXES

Time to Terminate Tax Bias against Saving
by Stephen Entin
An economist proposes allowing a tax deduction for saved income, deferring tax on that income until it is withdrawn at a later date for consumption.
Congressional Advisory, April 11, 1996
Institute for Research on the Economics of Taxation
PolicyFax #8036120 (2 pp.)

The Economic Impact of Replacing Federal Income Taxes with a Sales Tax
by Laurence J. Kotlikoff
A shift to a national sales tax could raise the stock of U.S. capital by at least 29 percent and potentially by as much as 49 percent, and raise U.S. living standards by 7 to 14 percent.
Policy Analysis, April 15, 1993
Cato Institute
PolicyFax #8020406 (part 1, 11 pp.)
#8020407 (part 2, 10 pp.)

The Futility of Raising Tax Rates
by Bruce Bartlett
"The history of tax-rate increases shows that they seldom produce much revenue. Their principal effect is to make higher taxes on the poor and the middle class more palatable."
Policy Analysis, April 8, 1993
Cato Institute
PolicyFax #8070401 (part 1, 13 pp.)
#8070402 (part 2, 13 pp.)

Ten Myths about Higher Taxes
by Alvin Rabushka
An esteemed economist counterss commonly held myths about tax increases, including: tax increases reduce budget deficits; tax increases improve "fairness" by making the rich pay more; and tax rate increases do not affect individual economic behavior.
Essay, 1993
Hoover Institution
PolicyFax #8000402 (part 1, 12 pp.)
#8000403 (part 2, 14 pp.)

TAXES

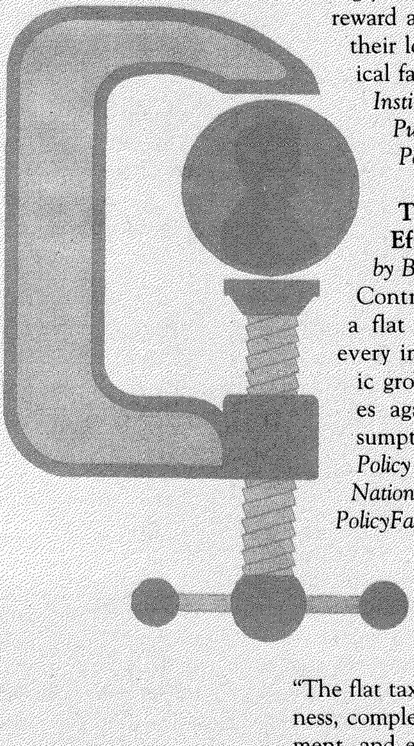
Estate Tax Bite Threatens Black Business
by Edmund Peterson
"If there is one enemy that will deal a mortal blow to black business, it isn't racism so much as the federal government and its weapon of choice—the estate tax."
Article, July 29, 1996
Insight on the News
PolicyFax #8022101 (1 p.)

Fighting the Rising Tax Burden
by Bruce Bartlett
A 15 percent across-the-board tax cut, such as that endorsed by Bob Dole, would be good politics—and good economics. It would lower marginal tax rates, which would stimulate work, saving, and investment.
Brief Analysis, June 5, 1996
National Center for Policy Analysis
PolicyFax #8000104 (2 pp.)

Massachusetts Personal Income Tax Cut Would Mean More Jobs, Increased Wages
A proposed reduction in the Massachusetts personal income tax rate would create over 65,000 new jobs, increase capital spending by about $4.8 billion, and increase annual wages of Massachusetts workers by $2.2 to $3.2 billion.
FaxSheet, February 21, 1996
The Beacon Hill Institute
PolicyFax #8037106 (1 p.)

The Case for a Tax Supermajority Requirement: A Look at the States
by Daniel J. Mitchell
States that require at least a three-fifths majority vote to raise taxes have seen lower tax and spending increases, faster economic and job growth, and an accumulation of less debt.
Issue Analysis, April 12, 1996
Citizens for a Sound Economy
PolicyFax #8037105 (5 pp.)

The Flat Tax



Flat-Rate Taxation
A flat tax is a good idea, both economically and politically. It would "encourage work, saving, and capital formation," as well as "strongly dampen the use of the tax code to reward and punish individuals based on their location relative to various political fault lines in our society."
Institute Brief, July 1996
Public Interest Institute
PolicyFax #8024124 (2 pp.)

The Economic Effects of a Flat Tax
by Barry J. Seldon and Roy G. Boyd
Contrary to the objections of critics, a flat tax would result in gains for every income group, increase economic growth, and remove existing biases against saving and toward consumption.
Policy Report, June 1996
National Center for Policy Analysis
PolicyFax #8020408 (14 pp.)

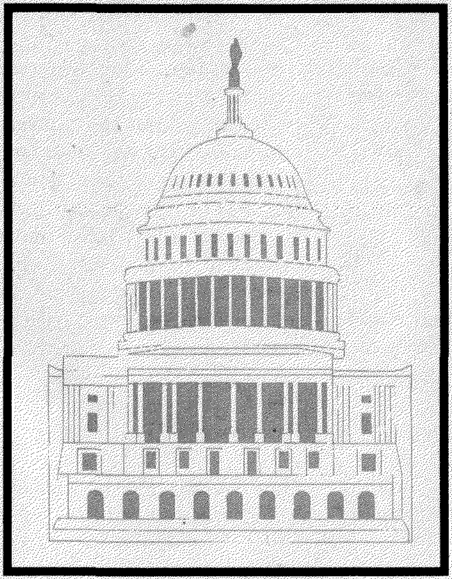
The Flat Tax: Vital for America's Future
by Paul G. Merski and Jeffery W. Styles
"The flat tax would end the inherent unfairness, complexity, government micromanagement, and economic damage caused by the current income tax system. Replacing the current income tax system with a flat tax would foster increased economic growth and opportunity while providing all Americans a higher standard of living."
Report, July 1995
Joint Economic Committee
PolicyFax #8024407 (15 pp.)

The Flat Tax
Even if a flat tax were implemented, politicians are not likely to find a way to reduce the tax burden of middle-income Americans unless genuine cuts are made in federal spending.
Research Reports, July 8, 1996
American Institute for Economic Research
PolicyFax #8024125 (3 pp.)

Housing Values Largely Unaffected by Flat Tax without Mortgage Interest Deduction
"For taxpayers interested in a flat tax but concerned about the effects of losing their mortgage interest deduction, a new Tax Foundation study" finds that, on average, "the value of the nation's housing stock is unlikely to be affected significantly by the flat tax currently under debate."
Tax Features, June 1996
Tax Foundation
PolicyFax #8024123 (2 pp.)

TAXES

Four Approaches to Tax Reform
by Murray Weidenbaum
Former Reagan economic advisor Murray Weidenbaum has prepared a brief outline explaining the relative advantages of four different tax reform proposals—a flat tax, a national sales tax, the USA tax, and a value-added tax.
Presentation, April 1996
Center for the Study of American Business
PolicyFax #8024414 (Flat Tax, 10 pp.)
#8024415 (USA Tax, 10 pp.)
#8076402 (Sales Tax and VAT, 15 pp.)



Touring Americans Bound to Have a Taxing Vacation This Summer
The Tax Foundation has ranked fifty American cities based on their levels of "travel taxes"—taxes on such things as lodging, dining, and automobile rentals that are paid largely by tourists. The results? Chicago is the least "vacation friendly" city, followed by Seattle, Houston, New York, and Dallas. To avoid high travel taxes, visit Honolulu, Boston, and Cincinnati.
News Release, July 17, 1996
Tax Foundation
PolicyFax #8021106 (3 pp.)

Total Tax Collections Climb to $2.329 Trillion in 1996
In 1996 federal, state, and local governments will collect an average of $23,577 in taxes for every household in the country, or an average of $8,782 for every U.S. resident.
News Release, June 5, 1996
Tax Foundation
PolicyFax #8082110 (4 pp.)

TRADE

The Myths and Realities of Trade Protectionism
by Bryan T. Johnson
Establishes eleven myths commonly advanced by free-trade foes and counters each one.
Backgrounder, April 8, 1996
The Heritage Foundation
PolicyFax #1980419 (11 pp.)

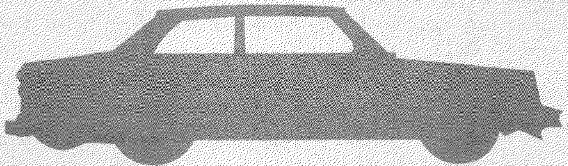
The Myths and Realities of Trade Deficits
by Bryan T. Johnson
President Clinton's trade policies are based on the faulty assumption that trade deficits are evils to be avoided. Such policies could "threaten the wealth and prosperity of all Americans."
Backgrounder, July 5, 1996
The Heritage Foundation
PolicyFax #1980116 (7 pp.)

TRANSPORTATION

Why Must Motorists Drive Only 55?
by Eric Peters
There is unconvincing evidence that lower speed limits help create safer driving conditions. "Instead of speed, poor driving habits—following too closely, weaving, abrupt maneuvers, and so on—are what cause the majority of avoidable accidents, safety experts say," writes Peters.
Article, April 1996
Consumers' Research
PolicyFax #8105123 (4 pp.)

Fuel Economy Standards Can Kill Motorists
by Sam Kazman
By causing car manufacturers to produce smaller, lighter cars, fuel economy standards are killing consumers. It is estimated that CAFE standards are responsible for twenty-two hundred to thirty-nine hundred fatalities per year.
Article, January 1996
Consumers' Research
PolicyFax #7212120 (4 pp.)

See also *Automobiles* in the **Environment** section on page **9**.

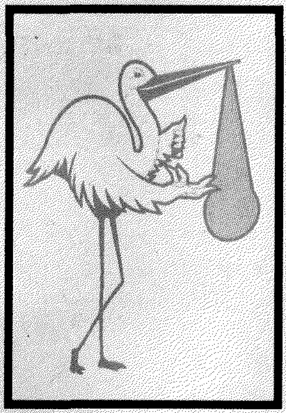


WELFARE

Does Welfare Encourage Illegitimacy?
by Ron Haskins
A new study by University of Pennsylvania professor Mark Rosenzweig further confirms what many experts had known all along: welfare encourages illegitimate births.
The American Enterprise, July/August 1996
American Enterprise Institute
PolicyFax #9272115 (2 pp.)

Public Housing Requires Private Management
by Robert Kleiman
The sorry state of Detroit's public housing program could be improved if the Motor City would turn to private management.
Viewpoint, April 8, 1996
Mackinac Center for Public Policy
PolicyFax #9232105 (2 pp.)

Repairing the Ladder: Toward a New Housing Policy Paradigm
by Howard Husock
Examines the reasons why housing policy for the poor has been troubled and ineffective, and sketches both an overall vision and specific details of an alternative policy, based on ongoing, already-successful initiatives.
Policy Study, July 1996
Reason Foundation
PolicyFax #9232301 (introduction and conclusion, 10 pp.)



The Value of Welfare: Cato vs. CBPP
by Michael Tanner and Naomi Lopez
"In 1995 the Cato Institute released a study comparing the benefits available from work. In May 1996 the Center on Budget and Policy Priorities issued a critique of that study. A review of the original study published by Cato and the criticisms in the CBPP study shows that the Cato study remains an accurate appraisal of the level of welfare benefits."
Briefing Paper, June 12, 1996
Cato Institute
PolicyFax #9272423 (study, 14 pp.)
#9272424 (appendices, 16 pp.)

Does More State Spending Ensure a Better Environment for Kids?
by Jeffry Flake and Mary Gifford
Is there a connection between social/welfare spending and a better environment for children? Apparently not.
Perspective, June 28, 1996
Goldwater Institute
PolicyFax #2428103 (2 pp.)

A Time for Action
by John Hood
States and localities have a crucial role to play in reforming welfare programs. North Carolina leaders have already begun to debate serious reform plans. The state "should enact welfare reform that sets time limits, promotes marriage and responsibility, requires work, targets benefits to the most needy, and encourages efficiency and competition in welfare services."
Carolina Journal, June-July 1996
John Locke Foundation
PolicyFax #9275401 (6 pp.)

> Among the 4.7 million families currently receiving AFDC, over 90 percent will spend over two years on the AFDC caseload. More than 75 percent will spend over five years on AFDC.
>
> **—The Heritage Foundation, 1996**

How Welfare Harms Kids
by Robert Rector and Patrick Fagan
The U.S. welfare system has damaged the very children it was meant to save.
Backgrounder, June 5, 1996
The Heritage Foundation
PolicyFax #9200410 (14 pp.)

Taxpayer Choice
by John C. Goodman
Taxpayer choice proposals would allow individual taxpayers the opportunity to direct their welfare tax dollars to any qualified charity—public or private. "The result will be a massive shift of funds from government programs that do more harm than good to private-sector programs that actually work."
Brief Analysis, June 5, 1996
National Center for Policy Analysis
PolicyFax #9272116 (2 pp.)

Tax Credits for Charitable Contributions: Alternatives, Projections, and Comparisons
by James P. Angelini, William F. O'Brien, Jr., and David G. Tuerck
Answers six questions about the Beacon Hill Institute's proposal to allow a 100 percent federal tax credit for charitable contributions. An expansion of the ideas introduced in the Beacon Hill Institute study, "Giving Credit Where Credit Is Due," available through *PolicyFax* as document #9200407.
Policy Study, March 1996
The Beacon Hill Institute
PolicyFax #6401301 (executive summary, 6 pp.)

Replacing Welfare in Wisconsin
by Andrew Bush
The "Wisconsin Works" program—Wisconsin's alternative to AFDC—provides services, subsidies, and opportunities to help parents establish their own means of support, primarily through work, and then help them maintain long-term self-support. Beginning in 1997, the program will contract on a competitive basis with public and private organizations.
Briefing Paper, July 1996
Hudson Institute
PolicyFax #9275402 (8 pp.)

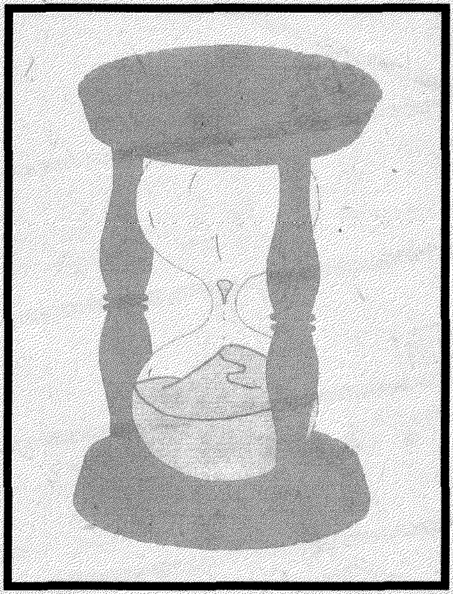
WELFARE

The Family Investment Program: Welfare Reform in Iowa

Describes the Family Investment Program, an alternative welfare program used in Iowa. The program "establishes steps for the participant to take toward self-sufficiency, a timetable for meeting those goals, and the assistance the state will provide to help the participant meet those goals."
Institute Brief, June 1996
Public Interest Institute
PolicyFax #9275101 (2 pp.)

Welfare Reform on the State Level

An edited transcript of remarks made at a symposium held in October 1995 by six welfare reform observers: Henry Olsen, executive director of The Commonwealth Foundation; Robert Rector, senior policy analyst at The Heritage Foundation; Jennifer E. Marshall, policy analyst for the Family Research Council; Charles Hobbs, a nationally known workfare expert; Don Taylor, executive director of the Mississippi Department of Social Services; and the Reverend Ron Moore, field coordinator of the Mississippi Faith and Families Program.
Commonwealth Conversations, May 1996
The Commonwealth Foundation
PolicyFax #9275201 (8 pp.)



A Working Solution to the Welfare Crisis: The Full Employment Model
by Peter S. Barwick

The Full Employment model of welfare reform is one of the most promising reform proposals, writes Barwick. The plan would take the funds currently being spent on AFDC, Food Stamps, and Unemployment Insurance, and use this money instead to subsidize jobs for welfare recipients in the private sector.
Analysis, April 1996
The Commonwealth Foundation
PolicyFax #9275403 (analysis, 12 pp.)

ACCOUNT APPLICATION

If you are not an elected official, editor, reporter, or talk show host, you can still use *PolicyFax* by completing this application form.

Opening a *PolicyFax* account allows you to use *PolicyFax* even if you are not an elected official or journalist. You will be charged $5 for each document you order. Documents can be paid for by *credit card* or by *advance deposit*. Check the appropriate box below. It costs you nothing to establish an account, and opening an account does not obligate you to use *PolicyFax*.

☐ **Credit card.** I authorize The Heartland Institute to charge the credit card listed below $5 for each *PolicyFax* document ordered using my *PolicyFax* account number.

☐ **Advance deposit.** Enclosed is advance payment in the amount of $_______, to be debited $5 each time a *PolicyFax* document is ordered using my *PolicyFax* account number.

Name ______________________________
Phone ________________ Fax ________________
Title ________________ Company ________________
Street ______________________________
City, State, Zip ______________________________

I am a:

☐ Heartland Donor
☐ Librarian
☐ Lobbyist
☐ Student/Teacher
☐ Think Tank
☐ Other

I authorize The Heartland Institute to charge the credit card listed to the right $5 for each *PolicyFax* document ordered using my *PolicyFax* account.

The following information must be provided.

Name on Card ______________________________
Card Number ________________ Card Type ________________
Expiration ________________ Signature ________________

Fax this completed application to 847/202-9799, or mail it to The Heartland Institute, 800 East Northwest Highway, Suite 1080, Palatine, Illinois 60067.

PICTURE YOURSELF in POLICYFAX!

Join the *PolicyFax* Legislative Advisory Committee. It's a group of legislators like you who ensure that quality research and commentary on "hot" issues is posted on *PolicyFax*. By helping us decide what material is made available through *PolicyFax*, you can help your colleagues around the nation.

Photographs and brief biographies of Committee members will appear in our annual *PolicyFax* directory, delivered to 8,000 elected officials and 2,000 journalists nationwide. Plus, we respond extra-quickly to research requests of Committee members.

To become a part of the Legislative Advisory Committee, please fill out the form below and return it to The Heartland Institute. Or for more information, call **Matthew Nutting** at 847/202-3060.

Yes! Sign me up as a member of the *PolicyFax* Legislative Advisory Committee. I agree to recommend research and commentary for placement on *PolicyFax*, and to promote *PolicyFax* among my colleagues.

Name ____________________________
Title ____________________________
District ____________ State ____________
Phone ____________ Fax ____________
E-mail ____________________________

Fax this form to **847/202-9799** or mail it to The Heartland Institute, 800 East Northwest Highway #1080, Palatine, Illinois, 60067. For more information, call 847/202-3060. The Heartland Institute is a 501(c)(3) nonprofit, nonpartisan research organization.

Help shape *PolicyFax* . . . and get some national attention too!

Uncovered

Thomas DiLorenzo

Thomas DiLorenzo
is a senior fellow at the
Capital Research Center.

Are America's Charities for Sale?

Small business is raising hell as it discovers that some of America's largest nonprofit charities unfairly earn millions of dollars by "hocking their halos."

The American Cancer Society, American Heart Association, American Lung Association, Arthritis Foundation, and others are entering the business world and setting up operations that sell everything from vacation packages to mutual funds. Small businesses complain they can't match the deals offered by their tax-exempt business rivals. They say such practices are "unfair competition." Some businesses even accuse charities of "ripping off" their products and customers and trading on the charity's good reputation.

A recent news story described how small businesses that sell turbans, hats, scarves, and prostheses to female cancer patients have attacked the American Cancer Society (ACS) for distributing a new, mail-order catalog peddling the same products they sell for a living. The catalog sales undercut small business in two ways: ACS's tax-exempt status allows it to offer the products at a lower price, and its charitable status gives the products a perceived seal of approval. The ACS is "using its vast reservoir of goodwill and trust to sell products," complains Peggy Childs, proprietor of Designs for Comfort, a Chicago business that competes with ACS products.

> *Why should AARP be exempt from taxes when virtually identical companies not affiliated with the nonprofit giant must pay taxes to provide the same services?*

The American Association of Retired Persons (AARP) is the most notorious example of a nonprofit organization that sells hundreds of millions of dollars of products annually. AARP sells insurance policies, mutual funds, mail-order pharmaceuticals, auto rentals, auto club memberships, Visa and Mastercard credit cards, and hotel discount packages. Companies like Scudder Financial Services, Prudential Insurance, American Express, New York Life, ITT Hartford, Amoco, and Bank One provide the products and services. Then they pay AARP a percentage of their sales in return for the use of the charity's name and reputation.

AARP pays taxes on ad revenue from its *Modern Maturity* magazine and on income from its money market funds and credit cards. But its pharmacy, auto club, and insurance profits are not taxed, prompting the charges of "*unfair competition*." Business has a good point: Why should AARP be exempt from taxes when virtually identical companies not affiliated with the nonprofit giant must pay taxes to provide the same services?

Sen. Alan Simpson (R-Wyo.) aptly summarized this conflict at a 1995 Senate hearing. It is as if "U.S. Steel decided to rename itself the 'American Association of Steel Enthusiasts,' offered some discounts and rebates to millions of Americans in exchange for a strictly nominal contribution, and then used that incidental association to gain tax-exempt status."

There is evidence, moreover, that AARP members relying on the group's good reputation are buying inferior products. For instance:

- Last year *Money* magazine evaluated AARP's businesses and concluded that of AARP's ten types of insurance, only its supplemental Medicare insurance deserved high marks; the rest were rated "decent to dreadful."
- In 1994, twenty-five mutual funds did better than AARP's best performer, its Growth and Income fund.
- And in 1983, five hundred San Diego AARP members purchased cellular phones for $209 each from a firm that promised to pay AARP $5 for each phone sold to a member. But the company went bankrupt, the members did not receive their phones or a refund, and AARP—with $358 million in revenues that year—refused to reimburse them, saying it "couldn't afford" the cost.

Other charities are jumping on the commercial bandwagon. The American Heart Association sold its "Heart Check Seal of Approval" for $550,000 to the Florida citrus industry. (Earlier, it abandoned its "HeartGuide Seal" program after the FDA warned the public that some of its claims might be "illegal and unproven.") The American Lung Association endorses home carbon monoxide testing kits for a fee. The Arthritis Foundation has endorsed Johnson and Johnson products in return for $1 million in annual donations. And the Skin Cancer Foundation's "Seal of Recommendation" is for sale for $100,000 per year.

The commercialization of nonprofit activities is a disturbing trend, because it squanders the organization's most valuable asset, the public's trust. In the long run, the nonprofit sector is jeopardized. The mere perception that a charity is selling its good name for profit will scare donors away. They won't contribute to a charity that prefers to sell its services instead.

Available on *PolicyFax*

Tax-Funded Politics
Tax dollars intended for disease research and public health education have been diverted into political advocacy. *(Capital Research Center, 1996, 8 pp.)*

Call 847/202-4888
Order document #6401410

Welfare

Robert Rector

Robert Rector is a
welfare expert at
The Heritage Foundation.

Understanding the Welfare Reform Bill

In August Congress passed, and President Clinton signed, historic welfare reform legislation. The legislation reforms the current welfare system in four ways.

It eliminates perverse financial incentives for state government.

The Aid to Families with Dependent Children (AFDC) program is currently funded on an entitlement basis. This means that the more persons a state enrolls in AFDC, the greater will be the funds received from the federal government. Conversely, if a governor reduces the number of persons on welfare, federal funding to his state is reduced. Clearly the current "entitlement" funding structure of AFDC creates perverse incentives for state government, penalizing states that reduce dependency and rewarding states that allow their welfare caseload to grow. The welfare reform legislation will eliminate these perverse incentives.

The new plan also creates a new funding system in which each state will be given a fixed dollar grant that will be gradually increased from year to year. If a state reduces its AFDC caseload, its federal grant will not be cut. Instead, the state will be permitted to keep any surplus federal funds that are generated by caseload reduction and apply those funds to other efforts to aid the poor. On the other hand, if a state permits its AFDC caseload to grow rapidly, the state, not the federal government, will bear the added cost.

> *Specified percentages of the AFDC caseload will be required to take private-sector jobs.*

It slows the growth of welfare spending.

Contrary to reports in the press, the bill will not cut welfare spending. Instead, it merely slows the rate of growth in spending. Seven major programs are affected by the legislation: Aid to Families with Dependent Children; Food Stamps; Supplemental Security Income (SSI); School lunch and other child nutrition programs; Foster Care; Social Services Block Grant; and the Earned Income Tax Credit (EITC). Under prior law aggregate spending in those programs was scheduled to grow by nearly 50 percent over the next seven years (an annual growth rate of roughly 6 percent). The reform bill will slow the rate of growth to around 35 percent over seven years (an annual growth rate of roughly 4.5 percent). Thus the reform will permit future aggregate spending in these programs to expand faster than the rate of inflation.

It establishes work requirements.

Under the reform bill, welfare will no longer be a one-way handout. Specified percentages of the AFDC caseload will be required to take private-sector jobs. If a private-sector job cannot be found, AFDC recipients will be required to perform community service work in exchange for welfare benefits. When working in a community service job, the welfare recipient must be in a "pay after performance" system: this means the beneficiary will not receive AFDC benefits until after the community service work has been satisfactorily completed. If the individual fails to perform the prescribed number of hours of work, benefits will be reduced. However, because of numerous loopholes, the actual number of recipients who will be required to work is quite low. For example, by 1999 the typical state will be required to have only 18 percent of the AFDC caseload working.

> *If a state permits its AFDC caseload to grow rapidly, the state, not the federal government, will bear the added cost.*

It reduces illegitimacy.

One-third of all American children are born out of wedlock. The collapse of marriage and rise of out-of-wedlock births are the cause of growing welfare dependency, as well as crime and many other social problems. The welfare reform bill contains three provisions to combat illegitimacy. First, it will focus the attention of state governments on the illegitimacy problem by requiring each state to set numeric goals for reducing illegitimacy over the next ten years. Second, it will provide extra bonus funding to states that reduce illegitimacy without increasing abortions. Third, the bill creates a new program to provide abstinence education.

Conclusion

While there are weaknesses in the reform legislation, particularly in the low level of required work, the bill is a significant step in the right direction and does represent the largest change in the welfare system since the early years of the War on Poverty.

Available on *PolicyFax*

Will Workfare Work?
Although workfare programs appear to be succeeding at bringing recipients back into the workforce, they represent only a partial solution to a complicated problem. *(Governing, 1996, 5 pp.)*

Call 847/202-4888
Order document #9272419

MSA Legislation: What's Good, What's Not

by Merrill Matthews, Jr.

After years of bipartisan legislative proposals to create tax-free medical savings accounts (MSAs), months of partisan congressional wrangling over whether to include MSAs in health insurance reform proposals, and weeks of discussion on various MSA demonstration projects, Congress passed a law that includes a limited version of MSAs. The legislation has some good and some bad points, outlined below.

The good. The good news is that medical savings accounts have a foot in the door. The agreed-upon demonstration project is short of what most MSA proponents wanted, but it is a start. The agreement permits

- an annual tax-deductible contribution to the MSA—up to 65 percent of the policy's deductible in the case of individual coverage and 75 percent of the deductible for family coverage—when combined with a health insurance policy with an annual deductible of $1,500 to $2,250 for an individual and $3,000 to $4,500 for a family.
- *tax-free buildup of money in the MSA and tax-free dis*tribution of MSA funds for medical expenses.
- maximum out-of-pocket expenses of no more than $3,000 under an individual policy and $5,500 under a family policy.
- funds withdrawn and used for nonmedical expenses to be considered as income and subject to income taxes, plus a 15 percent penalty—unless such withdrawals are made after age sixty-five or the onset of a disability.
- any remaining MSA balance to be considered part of a deceased participant's gross estate, under rules similar to those applicable to Individual Retirement Account (IRA) funds.
- no "sunset" provision for MSAs; those who have them will get to keep them.

The bad news is that the restrictions Congress imposed on MSAs not only limit the number of people who can buy them, but also will make their purchase and maintenance very complex.

The bad. The bad news is that the restrictions Congress imposed on MSAs *not only limit the number of people who can buy* them, but also will make their purchase and maintenance very complex:

- Only employers with fifty or fewer employees, along with the self-employed and the uninsured, will be permitted to obtain a tax-free MSA.
- The demonstration project is limited to four years and 750,000 policies. Fortunately, there is no limit on the numbers of dependents covered or the numbers of uninsured who may apply. However, once the 750,000 cap has been reached for employees and the self-employed, no more uninsured may get an MSA.
- Small businesses that switch to an MSA plan may grow to two hundred employees within the four-year demonstration project; additional employees could force the company to switch policies.

Those restrictions were imposed because opponents raised a number of ridiculous objections to medical savings accounts. For example, Consumers Union objected that: "Today, an amazing 98 percent of employers offer health plans that limit the burden of costs their employees must carry to 20 percent. The MSA proposal under debate in Congress allows insurers to charge coinsurance of 30 percent, even after the $5,000 to $7,000 deductible is met."

What this concern ignores is that, except in the state of Hawaii, employers are not required to offer their employees any health insurance. *Further, they may set the deductible at any amount, with any* combination of reimbursement and copayment they choose. The only force driving these "amazing" employers to provide their employees with health insurance is their desire to attract good workers.

In fact, the evidence shows that almost all employers who have already switched to an MSA plan (which currently does not enjoy the tax advantage made available in the legislation) have lowered their employees' out-of-pocket exposure.

In addition to the above-mentioned restrictions, the legislation

- requires the Treasury Department to evaluate and report to Congress on the adequacy of high-deductible policies purchased in conjunction with MSAs.
- mandates appointment of an independent health policy organization to study and report on the impact of MSAs in the small group market, examining such issues as the impact of MSAs on health care spending, adverse selection, and preventive care.

Ironically, the unusual restrictions on the MSAs ensure that the demonstration project will be unable to answer the questions MSA opponents have posed. For example, will MSAs result in "adverse selection"—in which the healthy move into one plan while the sick remain in another?

By limiting the demonstration to employers with fifty or fewer employees, Congress has virtually guaranteed that the answer will be no. In order for adverse selection to occur, employees would need to have a choice between two or more employer-provided health insurance policies. Almost all small employers who offer health insurance offer only one plan. Without the ability to switch at will, the adverse selection problem is barely existent.

• • • •

Merrill Matthews, Jr., is vice president of domestic policy for the National Center for Policy Analysis.

Teachers Unions: Are the Schools Run for Them?

by James Bovard

Public education is the most expensive "gift" that most Americans will ever receive. Government school systems are increasingly coercive and abusive both of parents and students. Government schools in hundreds of cities, towns, and counties have effectively been taken over by unions, and children are increasingly exploited, thwarted, and stymied for the benefit of organized labor.

Teacher monopoly-bargaining laws (laws that permit unions to claim to represent and speak for all teachers, and to force school boards to deal with unions) in thirty-four states cover 67 percent of the nation's teachers. Teachers unions have worked to destroy local control of education, subvert standards, prevent teacher accountability, and deny parents a significant voice in their children's education. Unions have launched strikes to prevent and restrict "parental interference" in public education.

Policy dictators

Teachers unions are increasingly dictating policy to the schools. The NEA has denounced back-to-basics programs as "irrelevant and reactionary." The union is the leading advocate of "no-fault" teaching—whatever happens, don't blame the teacher.

The *Chicago Tribune* concluded in 1988 that the Chicago Teachers Association has "as much control over operations of the public schools as the Chicago Board of Education" and "more control than is available to principals, parents, taxpayers, and voters." The *Tribune* noted that "even curriculum matters, such as the program for teaching children to read, are written into the [union] contract, requiring the board to bring any proposed changes to the bargaining table."

Strings-attached recommendations

Teachers unions blatantly exploit their power over school children. In Montgomery County, Maryland, union teachers refused to write letters of recommendation to colleges for students unless the students first wrote to the county council urging an increase in government spending for education (and, naturally, higher salaries for teachers).

At Wilson High School in Washington, D.C., teachers gave parents a formal notice that they would not write letters of recommendation for students unless parents wrote three letters demanding higher pay for teachers: "Please submit to each teacher from whom your child is requesting a college recommendation your letters to your city council member, the superintendent and your school board member along with three addressed and stamped envelopes."

Potent political power

Many politicians have claimed that the problems of public education can be resolved by rigorous new teacher evaluation programs. But teachers unions often politically dominate state legislatures, and the legislators protect the teachers against their own incompetence.

Home schooling is one of the fastest growing triumphs in family rights in the country. Naturally, teachers unions have been fiercely opposed to permitting parents to teach their own children to read and write. Annette Cootes of the Texas State Teachers Association declared that "home schooling is a form of child abuse." The NEA annually passes resolutions calling for a near-total ban on home schooling.

One measure of the coerciveness of the government school monopoly is the percentage of parents who would remove their kids from government schools if they could. If Americans could choose—if they had not already paid for public education through taxes—there would likely be a wholesale exodus from government schools in many cities.

Teachers unions and school officials have repeatedly sabotaged parents' efforts to defect from the public school monopoly. In 1992 in California, a coalition sought to put on the state ballot a proposal to provide a $2,500 state scholarship to children attending private schools. (Since the state of California was then spending over $6,000 per public school student, taxpayers would have saved over $3,000 for each additional student transferring from public to private schools.)

> *At Wilson High School in Washington, D.C., teachers gave parents a formal notice that they would not write letters of recommendation for students unless parents wrote three letters demanding higher pay for teachers.*

Though organizers got almost one million signatures to put the measure on the ballot, the effort was bushwhacked by the California Teachers Association and public school officials. Teachers at El Camino Real Elementary School in Irvine gave students oversized checks with the word "fraud" in their campaign to thwart the measure.

The power of the teachers unions is one of the best reasons to pursue the separation of school and state. There is no simple reform, no fancy political trick that will break the power of the teachers unions over the day-to-day activities of public schools. Given the realities of campaign contributions and organized greed, it will always be easier for teachers unions to exploit the education system for their own benefit than for parents to fight the eternal bureaucratic and political wars necessary to protect their children.

* * *

James Bovard is the author of *Shakedown* (Viking, 1995) and *Lost Rights: The Destruction of American Liberty* (St. Martin's, 1994). A longer version of this article appeared in the July 1996 issue of *The Freeman*.

Bookshelf

The Last Monopoly: Privatizing the Postal Service for the Information Age

edited by Edward L. Hudgins, Washington, D.C.: Cato Institute, 1996, 138 pp.

"The check is in the mail" was once an excuse you gave your creditors when your bill was past due. In recent years, however, it's been more likely than ever to be the truth. In an age where an hour can mean the difference between a closed deal and a closed door, what once may have been an acceptable delivery time for the post office just won't cut it anymore.

On June 14, 1995, the Cato Institute held a conference titled "The Last Monopoly: Privatizing the Postal Service for the Information Age." This book by the same name features twelve of the papers presented at that conference, as well as an introduction by Edward Hudgins, Cato's director of regulatory studies.

Aside from a chapter by Postmaster General Marvin Runyon and one by American University professor Murray Comarow, the book overwhelmingly favors privatizing the U.S. Postal Service and eliminating its legal monopoly over first-class mail delivery. Even Runyon acknowledges that "it is time to find the right amount of deregulation that will let the Postal Service operate like a business and compete on equal footing with other couriers and alternative communications."

Most of the authors in this collection identify the Postal Service's monopoly status as the primary source of its inefficiency. Peter Ferrara, author of *Free the Mail: Ending the Postal Monopoly*, estimates that the Postal Service, which delivers the mail on average 15 percent slower than it did twenty years ago, charges double what it would if it were subjected to competitive forces.

Other authors, such as Stephen Gibson, executive director of the Bionomics Institute, point to revolutionary communications technology such as fax machines and electronic mail that are gradually rendering postal services obsolete.

The book's final part features two chapters by policymakers who present concrete postal privatization proposals. Rep. Dana Rohrabacher (R-Calif.), proposes that the government "turn the Postal Service into the world's largest employee-owned company through an Employee Stock Ownership Plan (ESOP)." Ohio University economics professor Douglas K. Adie prefers instead that the Postal Service be broken up into smaller, competing companies to "ensure that true competition results."

However Postal Service privatization is best accomplished, almost all of the contributors to this volume would agree with Adie's claim that the really important question "is not whether [the Postal Service] should be privatized, but how."

—Lee Kessler

• • • •

Lee Kessler is editor of *Intellectual Ammunition.*

Science, Nonscience, and Nonsense: Approaching Environmental Literacy

by Michael Zimmerman, Baltimore, MD: The Johns Hopkins University Press, 1995, 220 pp.

Despite its promising title, this book is not about separating science from nonsense. Rather, its author is content to simply repeat the many myths, legends, and frightening (but unfounded) predictions of the most radical and anti-market environmentalists.

Mr. Zimmerman manages to produce a 220-page book on environmental literacy without mentioning the rules of epidemiology, toxicology, or ecology. (Unless the truism that "everything is connected to everything else" counts as a rule of ecology.) Indeed, Mr. Zimmerman does not identify a single environmental problem that he would say has been exaggerated or overhyped.

Mr. Zimmerman presents an "Alice in Wonderland" world where the Alar scare of 1989, which frightened millions of Americans into throwing away perfectly safe apples and applesauce, is a case study in proper consumer education. Logging of any kind is "plunder[ing] our national forests." Manmade chemicals—which experts say may be responsible for 2 or 3 percent, at most, of all human cancer deaths in the U.S.—are elevated by a not-so-clever sleight of hand into a suspect in "between one-third and two-thirds of all cancers."

In Mr. Zimmerman's world, photosynthesis apparently does not occur, since he insists "the world is a finite place, and all of its physical resources are in limited supply." Paul Ehrlich's predictions of global devastation, Rachel Carson's predictions of a "silent spring," and Samuel Epstein's predictions of a "cancer epidemic" are all taken seriously in Mr. Zimmerman's world, although in ours we know they were proven wrong in the past and their authors no longer are credible.

Is there controversy over whether human activity may be altering the global climate? In Mr. Zimmerman's world, "virtually none exists." In our world, scientific journals regularly question the reliability of global climate models, temperature records, and such poorly understood processes as the role of oceans in moderating temperature changes and absorbing greenhouse gases.

The Endangered Species Act gets false credit for saving six species from extinction. (In five cases, additional populations were discovered; in the sixth [the California gray whale], action by Mexico was responsible for the species' recovery.)

This disappointing book has only one redeeming feature that I can think of. Mr. Zimmerman argues persuasively that electric "bug zappers" don't really work to kill mosquitos, which are drawn by the smell of human breath and perspiration rather than ultraviolet light. Finally, some science instead of nonsense!

—Joseph L. Bast

• • • •

Joseph L. Bast is president of The Heartland Institute and coauthor of *Eco-Sanity: A Common-Sense Guide to Environmentalism* (Lanham, MD: Madison Books, 1996).

Should Congress Stop the Bidding War for Sports Franchises?

(On November 29, 1995, the Subcommittee on Antitrust, Business Rights, and Competition of the Senate Committee on the Judiciary held hearings on sports franchise relocation. Four panels—federal policymakers, sports league commissioners, municipal authorities, and academics—presented testimony to the committee. That testimony has been reprinted in four volumes [Heartland Policy Studies #74-77] and is summarized here. It is also available on the World Wide Web at ***http://www.heartland.org****.)*

◆

1. Federal policymakers: Congress should act to reduce the frequency of sports franchise relocations.

The 1961 Sports Broadcasting Act gave the four major sports leagues a limited antitrust exemption, allowing them to pool their separate broadcasting rights for sale to a single purchaser. According to **Rep. Martin R. Hoke** (R-Ohio), "the quid pro quo for Congress granting sports leagues the special exemption from antitrust laws was that it would create stability, and protect communities and fans." Thus, says Hoke, "it is perfectly appropriate, even compelling, that Congress . . . should now intervene to stop the exploitation of fans and cities and attempt to stabilize the leagues."

Sen. Byron L. Dorgan (D-N.D.) questions "whether the American taxpayers ought to be asked to provide housing for these sports teams through the use of tax-exempt bonds." Dorgan and **Rep. Louis Stokes** (D-Ohio) both note that local governments "struggle to provide such public services as schools, libraries, police and fire protection, and other essential community services while millions of dollars are diverted to retain or attract sports teams."

> *Local governments "struggle to provide such public services as schools, libraries, police and fire protection, and other essential community services while millions of dollars are diverted to retain or attract sports teams."*

The Fans Rights Act, introduced by **Sen. John Glenn** (D-Ohio), **Sen. Mike DeWine** (R-Ohio), **Rep. Louis Stokes** (D-Ohio), and others, would give fans, communities, and sports leagues more control over sports franchise relocation. The Act would

- provide for a very narrow antitrust exemption shielding a professional sports league from a lawsuit if the league blocks a relocation;

- require that teams intending to relocate give a community 180 days notice and hold public hearings during that time; and

- give the community an opportunity to present bona fide offers to purchase the team or induce it to stay.

2. Sports league commissioners: Protect leagues against antitrust claims.

Commissioner Paul Tagliabue (National Football League) contends that league rules governing franchise relocation are sufficient to protect against unjustified team moves . . . if only league decisions were protected against antitrust actions filed against them by team owners.

In 1982, a federal circuit court allowed the football Raiders to abandon Oakland, over the NFL's objection, and awarded the Raiders $50 million in damages to be paid by the league. Prior to the Raiders litigation, according to Tagliabue, "a sports league franchise was viewed as a license to serve the league's fans and to play league games in a prescribed geographical area. A franchise was the means by which the league created a stable, continuous relationship with a community, subject to change only by league decision."

Since 1982, the leagues have been afraid to stop or slow down franchise relocations. **Commissioner Gary Bettman (National Hockey League)** notes that the leagues themselves "are not seeking any affirmative action by Congress." But if Congress chooses to intervene, he and Tagliabue concur that the only action necessary would be an expansion of the leagues' antitrust exemption.

3. Municipal authorities: Save us from extortion.

Houston Mayor Bob Lanier, whose Oilers football franchise will be moving to Nashville, says that the NFL engages in "the extortionist practice of threatening moves unless taxpayers give them expensive stadium improvements or a new stadium." As a result, "the average working person is asked to put a tax on their home, or pay sales or some other consumer tax, to build luxury boxes in which they cannot afford to sit."

Cleveland Mayor Michael White, whose Browns football franchise will be moving to Baltimore, agrees. "The 1990s have unveiled an alarming trend in stadium financing," he notes. "For most of this century, cities only replaced stadiums when the facilities became structurally obsolete." Recently, however, owners are deserting perfectly sound structures on the alleged grounds that they are economically obsolete. "The Browns decided to leave Cleveland," according to White, despite "the unquestionable fan loyalty to the Browns. . . . The betrayal of Cleveland touches a raw nerve not just in Northern Ohio, but all over America."

John Moag, Jr., chairman of the Maryland Stadium Authority, offers a different perspective. His city lost the football Colts in 1984 (to Indianapolis), but recently attracted the football Browns (from Cleveland). It is Moag's belief that Baltimore "deserved" to lose the Colts; "it was the failure of our local and state elected officials in Maryland to provide the Colts with a firm proposal for a new stadium that led Mr. Irsay to accept an offer from Indianapolis to play in a new dome in that city." Congress, says Moag, "cannot and should not attempt to manipulate this most basic of market factors."

> *"Perhaps cities should request federal legislation that would prohibit the use of state or local government funds to attract a franchise currently residing in another city."*

4. Academics: Many approaches are available to stop the bidding war.

Gary Roberts of Tulane Law School supports the leagues' request for a limited antitrust exemption for decisions relating to franchise location or relocation. But that is an incomplete solution, because the leagues themselves have inappropriate power in many markets. "The salaries that players and coaches command, the subsidies that teams can extract from local communities, and even the street value of a Super Bowl ticket all suggest that leagues exercise tremendous and arguably monopoly market power in several markets." He argues that "the remedy for the natural market power that major sports leagues enjoy is to treat leagues in exactly the same manner that government treats all natural monopolies—that is, to regulate them."

Stephen F. Ross of the University of Illinois contends that major sports leagues are not natural monopolies. He insists that the market power of the National Football League, in particular, is the direct result of a 1966 decision to allow the NFL to merge with the AFL. "Time has shown that Act to be a mistake that should be corrected by Congress. If two or more rival major leagues made their own independent determinations concerning expansion and relocation, the result would be the end of 'franchise free agency' and the end of massive exploitation of taxpayers."

> *"It seems entirely appropriate for the same national legislature that granted a special antitrust exemption to allow the creation of a monopoly football league to insist that such a league not play one community off against another through tax subsidies."*

Ross believes "a viable cause of action could be brought under current law against the entire system of NFL rules that, in my opinion, unreasonably restrains and channels trade and competition." For example, "the NFL's revenue-sharing rules require that revenue from live gate, television, and souvenirs be evenly shared by the leagues' teams, but teams are permitted to keep for themselves income from luxury boxes and other stadium revenues." The combined effect of these rules is "to dampen incentives to increase live gate income, broadcast ratings, or popularity of team jackets and other paraphernalia, while maximizing incentives to relocate or otherwise exploit local taxpayers." These rules, says Ross, amount to unreasonable trade restraints.

Recognizing that Congress is unlikely to require that the National Football League split into two competing leagues, Ross proposes two lesser solutions:

- Prohibit tax subsidies to lure or retain franchises. "It seems entirely appropriate for the same national legislature that granted a special antitrust exemption to allow the creation of a monopoly football league to insist that such a league not play one community off against another through tax subsidies."

- Require luxury box income to be shared by all members of the league. "One way to correct this problem, and take away a significant incentive for owners to relocate, would be to require that stadium-related income be shared with co-owners to the same degree as other principal sources of revenue."

Robert Baade of Lake Forest College says "nowhere is the exercise of sports' excessive and potentially destructive financial ambition more apparent than in the construction of new sports stadiums." He points out that "the modern stadium caters to a more elite audience while at the same time asking for public support," and a new stadium complex can "resemble a small walled city" that deprives the surrounding neighborhood of any economic benefits.

Baade summarizes his own research showing that professional sports franchises and new stadiums produce few economic benefits. Economic impact studies that suggest otherwise usually fail to consider that most spending is merely shifted from other parts of the local economy or, when highly paid athletes live outside the area, is exported away from the community. He recommends three reforms:

- "Perhaps cities should request federal legislation that would prohibit the use of state or local government funds to attract a franchise currently residing in another city."

- "[C]ities that are abandoned by a team . . . could be compensated by the league. In such an instance, an expansion club could be immediately awarded the abandoned city, and that city would not be required to pay a franchise fee for that team."

- "Perhaps legislation could be drafted to encourage local ownership of franchises. In this regard, the local ownership of the Green Bay Packers could be used as a template."

Contacts

The Abraham Lincoln Foundation
1710 Underpass Way, Hagerstown, MD 21740-6961

Acton Institute
161 Ottawa NW #301, Grand Rapids, MI 49503,
616/454-3080, info@acton.org

Accuracy in Academia
4455 Connecticut Ave NW #330, Washington, DC
20008, 202/364-3085, fax 202/364-4098

Accuracy in Media
4455 Connecticut Avenue NW #330,
Washington, DC 20008, 202/364-4401,
fax 202/364-4098, ar@take.aim.org

Advocates for Self-Government
1202 N. Tennessee Street. #202, Cartersville, GA
30120, 770/386-8373, fax 770/386-8323

The Alabama Family Alliance
PO Box 59468, Birmingham, AL 35259,
205/870-9900, fax 205/870-4407, ptarget@aol.com

Alexis de Tocqueville Institution
1611 North Kent Street, #901, Arlington, VA 22209,
703/351-4969, fax 703/351-0090, adtinst@aol.com

Allegheny Institute for Public Policy
7 Parkway Center #612, Pittsburgh, PA 15220,
412/937-4526, fax 412/928-1501

American Conservative Union
1007 Cameron Street, Alexandria, VA 22314,
703/836-8602, fax 703/836-8606

American Council on Science and Health
1995 Broadway 2nd Floor, New York, NY 10023-5860, phone 212/362-7044, fax 212/362-4919, e-mail acsh@acsh.org. The American Council on Science and Health (ACSH) is a national consumer-education consortium concerned with issues related to food, chemicals, pharmaceuticals, lifestyle, the environment, and human health. ACSH is an independent, nonprofit, tax-exempt organization founded in 1978. The nucleus of ACSH is a board of nearly 250 physicians, scientists and policy advisors—experts in a wide variety of fields—who review the Council's publications and participate in its special events and educational activities. Elizabeth M. Whelan, Sc.D., M.P.H., serves as the Council's president. The address for ACSH's Web site is http://www.acsh.org.

American Council on Science and Health,
1995 Broadway, 2nd Floor, New York, NY
10023-5860, 212/362-7044, fax 212/362-4919,
acshmail@aol.com

American Enterprise Institute
1150 17th Street NW, Washington, DC 20036,
202/862-5800, fax 202/862-7178

American Institute for Economic Research
PO Box 1000, Great Barrington, MA 01230,
413/528-1216, fax 413/528-0103, aier@world.std.com

American Land Rights Association
PO Box 400, 30218 NE 82nd Avenue, Battle Ground,
WA 98604, 360/687-3087, alra@pacifier.com

American Legislative Exchange Council
910 17th Street NW, 5th Floor, Washington, DC 20006,
202/466-3800, fax 202/466-3801

Americans for Tax Reform
1320 18th Street NW #200, Washington, DC 20036
202/785-0266, fax 202/785-0261

American Studies Institute
Harding University, Box 899, Searcy,
AR 72149, 501/279-4497, fax 501/279-4076,
gardner@harding.edu

Arizona Institute
7049 East Tanque Verde Road #386, Tucson, AZ
85715, 520/722-3300, fax 520/722-3335

Arkansas Family Council
1300 Westpark Drive #5-B, Little Rock, AR 72204,
501/664-4566, fax 501/664-2317

Arkansas Policy Foundation
8201 Cantrell Road #325, Little Rock, AR 72227,
501/227-4815, fax 501/227-8970, aggiemw2@aol.com

John M. Ashbrook Center
Ashland University, 401 College Avenue, Ashland, OH
44805, 419/289-5411, fax 419/289-5425

Atlantic Legal Foundation
205 East 42nd Street, 9th Floor, New York, NY 10017,
212/573-1960

The Atlas Economic Research Foundation
4084 University Drive #103, Fairfax, VA 22030-6812,
703/934-6969, fax 703/352-7530, atlas@his.com

Beacon Hill Institute for Public Policy Research
Suffolk University, 8 Ashburton Place, Boston, MA
02108-2270, 617/573-8750, fax 617/720-4272,
bhi@acad.suffolk.edu

The Blum Center for Parental Freedom in Education
Marquette University, Brooks Hall 209, PO Box 1881,
Milwaukee, WI 53201-1881, 414/288-7040,
fax 414/288-3170, blumcenter@vms.csd.mu.edu

The Buckeye Institute for Public Policy Solutions
131 North Ludlow Street #317, Dayton, OH 45402,
513/224-8352, fax 513/224-8457, buckeyeins@aol.com

California Public Policy Foundation
PO Box 931, Camarillo, CA 93011, 805/445-9183

Capital Research Center
727 15th Street NW, 8th Floor, Washington, DC
20005-2168, 202/393-2600, fax 202/393-2626,
74157.1070@compuserve.com

Capitol Resource Institute
1314 H Street #203, Sacramento, CA 95814, 916/498-
1940, fax 916/448-2888, capitolres@aol.com

Cascade Policy Institute
813 SW Alder Street #707, Portland, OR 97205,
503/242-0900, fax 503/242-3822,
cascadepol@aol.com

Catalyst Institute
33 North LaSalle Street #1920, Chicago, IL 60602,
312/541-5415, fax 312/541-5401

Cato Institute
1000 Massachusetts Avenue NW, Washington, DC 20001, phone 202/842-0200, fax 202/842-3490, e-mail cato@cato.org. Founded in 1977, the Cato Institute is a nonpartisan public policy research foundation headquartered in Washington, D.C. The Cato Institute seeks to broaden the parameters of public policy debate to allow consideration of more options that are consistent with the traditional American principles of limited government, individual liberty, and peace. Toward that goal, the Institute strives to achieve greater involvement of the intelligent, concerned lay public in questions of policy and the proper role of government. The Cato Institute can be reached on the World Wide Web by pointing your browser to http://www.cato.org.

Cato Institute
1000 Massachusetts Avenue NW, Washington, DC
20001, 202/842-0200, fax 202/842-3490,
cato@cato.org

Center of the American Experiment
1024 Plymouth Building, 12 South Sixth Street, Minneapolis, MN 55402, 612/338-3605, fax 612/338-3621,
amexp@amexp.org

The Center for Education Reform
1001 Connecticut Avenue NW #204, Washington, DC
20036, 202/822-9000, fax 202/822-5077,
cerdc@aol.com

Center for Independent Thought
938 Howard Street, San Francisco, CA 94103,
415/541-9780, fax 415/541-0597, orders@lfb.org

Center for Individual Rights
1300 19th Street NW #260, Washington, DC 20036,
202/833-8400, cir@mail.wdn.com

Center for the New West
600 World Trade Center, 1625 Broadway, Denver, CO
80021, 303/572-5400, fax 303/572-5499,
cnwinfo@newwest.org

Center for Policy Studies
201 Sirrine Hall, Clemson University, Clemson, SC
29634, 803/656-1346, fax 803/656-4532

Center for Rebuilding America's Schools
800 East Northwest Highway #1060, Palatine, IL
60067, 847/202-3060, fax 847/202-9799

Center for the School Community
121 North Kickapoo, Lincoln, IL 62656, 217/732-6462,
fax 217/732-3696

Center for the Study of American Business
Washington University, Box 1208, One Brookings
Drive, St. Louis, MO 63130-4899, 314/935-5630,
fax 314/935-5688, warren@csab.wustl.edu

Center for the Study of Popular Culture
9911 West Pico Boulevard #1290, Los Angeles, CA
90035, 310/843-3699, fax 310/843-3692

CEO America
PO Box 1543, Bentonville, AR 72712, 501/273-6957,
fax 501/273-9362, ceoa@aol.com

Citizens against Government Waste
1301 Connecticut Avenue NW #400, Washington, DC
20036, 202/467-5300, fax 202/467-4253

Citizens for a Sound Economy
1250 H Street NW #700, Washington, DC 20005-3908,
202/942-7629, fax 202/783-4687, cse@cse.org

Citizens for Educational Choice
90 Highland Street, Milford, MA 01757, 508/634-6847

Citizens for Educational Freedom
927 South Walter Reed Drive #1, Arlington, VA 22204,
703/486-8311, fax 703/486-3160, cefvoucher@aol.com

Citizens League
708 South 3rd Street #500, Minneapolis,
MN 55415, 612/338-0791, fax 612/337-5919,
lwray@epx.cis.umn.edu

The Claremont Institute
250 West First Street #330, Claremont, CA 91711,
909/621-6825, fax 909/626-8724, bboychuk@aol.com

Committee for a Constructive Tomorrow
PO Box 65722, Washington, DC 20035, 202/429-2737,
fax 301/859-0944, cfact@dgs.dgsys.com

The Commonwealth Foundation
for Public Policy Alternatives
3544 North Progress Avenue #101, Harrisburg, PA
17110, 717/671-1901, fax 717/671-1905

Competitive Enterprise Institute
1001 Connecticut Avenue NW #1250, Washington, DC
20036, 202/331-1010, fax 202/331-0640, info@cei.org

Congressional Institute, Inc.
316 Pennsylvania Avenue SE #403, Washington, DC
20003-1147, 202/547-4600, fax 202/547-3556,
ci@conginst.org

Connecticut Policy and Economic Council, Inc.
99 Pratt Street, #500, Hartford, CT 06103,
860/527-8177, fax 860/246-9790, cpec@aol.com

Constitutional Heritage Institute
608 North 108th Court, PO Box 540787, Omaha, NE
68154, 402/333-5193, fax 402/333-5193,
chioffice@aol.com

Consumer Alert
1001 Connecticut Avenue NW #1128, Washington, DC
20036, 202/467-5809, fax 202/467-5814,
calert@aol.com

Consumers Research, Inc.
800 Maryland Avenue NE, Washington, DC 20002,
202/546-1713, fax 202/546-1638, crmag@aol.com

Council for Affordable Health Insurance
112 South West Street, 4th Floor, Alexandria, VA
22314, 703/836-6200, fax 703/836-6550

Defenders of Property Rights
6235 33rd Street NW, Washington, DC 20015,
202/686-4197, fax 202/686-0240, dwalmasi@aol.com

Delaware Public Policy Institute
PO Box 1052, Wilmington, DE 19899-1052,
302/655-7221, fax 302/654-0691

The Dumont Institute
236 Johnson Avenue, Dumont, NJ 07628,
201/501-8574, fax 201/387-0744,
info@dumontinst.com

The Educational Excellence Network
223 North Guadelupe Street #305, Sante Fe, NM
87501, 202/966-8922, fax 202/363-0488

The Empire Foundation for Policy Research
PO Box 825, Clifton Park, NY 12065,
518/383-2877

Employee Benefit Research Institute
2121 K Street NW #600, Washington, DC 20037
202/659-0670, fax 202/775-6312

Environmental Education Enterprises
2764 Sawbury Boulevard, Columbus, OH 43235,
614/792-0005, fax 614/792-0006, e3jklucky@aol.com

Ethan Allen Institute
RFD 1-Box 43, Concord, VT 05824-9505,
802/695-1448, fax 802/695-1448,
ethallen@plainfield.bypass.com

Evergreen Freedom Foundation
PO Box 552, Olympia, WA 98507, 360/956-3482,
fax 360/352-1874, efswa@aol.com

The Family Foundation
PO Box 22100, Lexington, KY 40522, 606/255-5400

Family Research Council
700 13th Street NW #500, Washington, DC 20005,
202/393-2100, fax 202/393-2134, frc@sojourn.com

Family Research Institute of Wisconsin
111 King Street #25, Madison, WI 53703-3339,
608/256-3228, fax 608/256-3370

The Federalist Society for
Law and Public Policy Studies
1700 K Street NW #901, Washington, DC 20006,
202/822-8138, fax 202/296-8061

Florida Family Council
101 East Kennedy Boulevard #3120, Tampa, FL 33602,
813/222-8300, fax 813/222-8301

Focus on the Family
8605 Explorer Drive, Colorado Springs, CO 80920,
719/531-3400, fax 719/548-4525

Foundation for the Advancement
of Monetary Education
211 East 43rd Street #2202 New York, NY 10017-4707,
212/818-1206, fax 212/818-1197

The Foundation for Economic Education
30 South Broadway, Irvington-on-Hudson,
NY 10533, 914/591-7230, fax 914/591-8910,
freeman@westnet.com

Foundation for Florida's Future
PO Box 144155, Coral Gables, FL 33114,
305/442-0414, fax 305/442-2215, cory@fff.org

Foundation for Research on
Economics and the Environment
945 Technology Boulevard #101F, Bozeman, MT
59715, 406/585-1776, fax 406/585-3000, free@mcn.net

The Fraser Institute
626 Bute Street, 2nd Floor, Vancouver, BC, V6E 3M1
Canada, 604/688-0221, fax 604/688-8539,
fraser_institute@mindlink.bc.ca

Free Congress Foundation
717 Second Street NE, Washington, DC 20002,
202/546-3004, fax 202/546-7689, netmail@fcfef.org

Free Market Committee
PO Box 740367, Dallas, TX 75374, 214/348-2801

Free Market Foundation
PO Box 741777, Dallas, TX 75374, 214/680-9171

Future of Freedom Foundation
11350 Random Hills Road #800, Fairfax, VA 22030,
703/934-6101, fax 703/803-1480, freedom@fff.org

Future of Freedom Foundation
11350 Random Hills Road #800, Fairfax, VA 22030, phone 703/934-6101, fax 703/803-1480, e-mail freedom@fff.org. Founded in 1989, The Future of Freedom Foundation (FFF) is a 501(c)(3) tax-exempt educational foundation that presents an uncompromising moral, philosophical, and economic case for individual freedom, private property, and limited government. FFF aims to influence the course of thinking so that individuals abandon a commitment to the philosophy of socialism, the welfare state, and the managed economy and move toward the philosophy of freedom. FFF's Web site can be found at http://www.fff.org.

The George C. Marshall Institute
1730 M Street NW #502, Washington, DC
20036-4505, 202/296-9655, fax 202/296-9714,
71553.3017@compuserve.com

Georgia Family Education and Research Council, Inc.
3937 Holcomb Bridge Road #301, Norcross, GA
30092, 404/242-0001, fax 404/242-0501

Georgia Public Policy Foundation
4340 Georgetown Square #608, Atlanta, GA 30338,
770/455-7600, fax 770/455-4355, gppf@america.net

Golden State Center for Policy Studies
1127 11th Street #206, Sacramento, CA 95814,
916/446-7924, fax 916/446-7990, britrav@aol.com

Goldwater Institute
201 North Central, Phoenix, AZ 85004, 602/256-7018,
fax 602/256-7045, goldwat@soho.ios.com

Gun Owners of America
8001 Forbes Place, Springfield, VA 22151,
703/321-8585

The Heartland Institute
800 East Northwest Highway #1080, Palatine, IL
60067, 847/202-3060, fax 847/202-9799,
think@heartland.org

The Heritage Foundation
214 Massachusetts Avenue NE, Washington, DC
20002, 202/546-4400, fax 202/546-8328,
info@heritage.org

Hillsdale College
33 East College Street, Hillsdale, MI 49242,
517/437-7341, fax 517/437-0160

Hoover Institution
Stanford University, Stanford, CA 94305-6010,
415/723-3373, fax 415/723-1687

Contacts

Hudson Institute
Herman Kahn Center, PO Box 26-919, Indianapolis, IN 46226, 317/545-1000, fax 317/545-9639

Independence Institute
14142 Denver West Parkway #101, Golden, CO 80401, 303/279-6536, fax 303/279-4176, tomtank@aol.com

Independent Institute
134 98th Avenue, Oakland, CA 94603, 510/632-1366, fax 510/568-6040, independ@dnai.com

Indiana Policy Review Foundation
320 North Meridian #904, Indianapolis, IN 46204-1725, 317/236-7360, fax 317/236-7370

Institute for American Values
1841 Broadway #211, New York, NY 10023, 212/246-3942

Institute for Contemporary Studies
720 Market Street, 4th Floor, San Francisco, CA 94102, 415/981-5353, fax 415/986-4878, icspress@hooked.net

Institute for Humane Studies
George Mason University, 4084 University Drive #101, Fairfax, VA 22030, 703/934-6920, fax 703/352-7535, ihs@gmu.edu

Institute for Independent Education
1313 North Capitol Street NE, Washington, DC 20006, 202/745-0500, fax 202/745-9298, iie@prodigy.com

Institute for Justice
1717 Pennsylvania Avenue NW #200, Washington, DC 20006, 202/955-1300, fax: 202/955-1329

Institute for Policy Innovation
250 South Stemmons Highway #306, Lewisville, TX 75067, phone 214/219-0811, fax 214/219-2625, e-mail ipi@i-link.net. The Institute for Policy Innovation (IPI) is a nonprofit, non-partisan public policy "think tank" based in Lewisville, Texas and founded in 1987 to research, develop, and promote innovative and non-partisan solutions to today's public policy problems. IPI focuses on approaches to governing that harness the strengths of individual liberty, limited government, and free markets. IPI's work concentrates on such issues as taxation and government spending, economic growth initiatives, and government regulation. IPI is a public foundation, supported wholly by contributions from individuals, businesses, and other nonprofit foundations. The address of IPI's World Wide Web site is http://www.ipi.org.

Institute for Policy Innovation
250 South Stemmons Highway #306, Lewisville, TX 75067, 214/219-0811, fax 214/219-2625, ipi@i-link.net

Institute for Research on the Economics of Taxation
1300 19th Street NW #240, Washington, DC 20036, 202/463-1400, fax 202/463-6199

Institute of Economic Affairs
2 Lord North Street, London, SW1P 3LB, UK, fax (+44) (0)171 799 2137

Institute of Political Economy
Utah State University, Political Science Department, Logan, UT 84322-0725, 801/797-2064, fax 801/797-3751, c-nielsen@wpo.hass.usu.edu

The Institute on Religion and Public Life
156 Fifth Avenue #400, New York, NY 10010, 212/627-1985, fax 212/627-2184

The James Madison Institute
PO Box 13894, Tallahassee, FL 32317-3894, 904/386-3131, fax 904/386-1807, clendinen@aol.com

Jeffersonian Health Policy Foundation
136 John Tyler Highway, Williamsburg, VA 23185, 757/252-2729

The John Locke Foundation
1304 Hillsborough Street., Raleigh, NC 27605, 919/828-3876, fax 919/821-5117, locke@interpath.com

Josiah Bartlett Center for Public Policy
PO Box 897, Concord, NH 03302-0897, 603/224-4450, fax 603/224-4329

Kansas Public Policy Institute
PO Box 780712, Wichita, KS 67278-0712, 316/683-0261, fax 316/683-0734, KPPI@aol.com

Laissez Faire Institute
828 North Poplar Court, Chandler, AZ 85226, 602/940-9824

Landmark Legal Foundation
2345 Grand Avenue #2310, Kansas City, MO 64108, 816/474-6600, fax 816/474-6609, hutchp@aol.com

Law and Economics Center
University of Miami, PO Box 248000, Coral Gables, FL 33124, 305/284-6174, fax 305/662-9159, kwclarkson@aol.com

Lincoln Legal Foundation
100 West Monroe #1600, Chicago, IL 60603, 312/606-0951, fax 312/606-8879

Louisiana Citizens for a Sound Economy
PO Box 80362, Baton Rouge, LA 70898, 504/387-2242, fax 504/387-2244

Mackinac Center for Public Policy
PO Box 568, Midland, MI 48640, 517/631-0900, fax 517/631-0964, mcppideas@aol.com

Manhattan Institute
52 Vanderbilt Avenue, New York, NY 10017, 212/599-7000, fax 212/599-3494, dotsikas@pppmail.nyser.net

Media Research Center
113 South West Street, 2nd Floor, Alexandria, VA 22314, 703/683-9733, fax 703/683-9736, ajmrc@aol.com

Michigan Family Forum
611 South Walnut Street, Lansing, MI 48933, 517/374-1171, fax 517/374-6112

The Mid-America Legal Foundation
150 N. Michigan Avenue #2500, Chicago, IL 60601, 312/750-3569

Minnesota Family Council
2855 Anthony Place South #150, Minneapolis, MN 55418-3265, 612/789-8811, fax 612/789-8857

Minority Mainstream
13555 Bammel North Houston #189, Houston, TX 77066, 713/228-6246, fax 713/583-9534, grichardson@ghgcorp.com

Mississippi Family Council
PO Box 13514, Jackson, MS 39236, 601/969-1200, fax 601/969-1600, msfamily@aol.com

Mountain States Legal Foundation
707 17th Street #3030, Denver, CO 80202-3404, 303/292-2021, fax 303/292-1980

National Center for Policy Analysis
12655 North Central Expressway #720, Dallas, TX 75243-1739, 972/386-6272, fax 972/386-0924, ncpa@onramp.net

National Center for Public Policy Research
300 Eye Street NE #3, Washington, DC 20002, 202/543-1286, fax 202/543-4779, reliefprt@aol.com

National Chamber Foundation
1615 H Street NW, Washington, DC 20062, 202/463-5552, fax 202/463-3124

National Licensed Beverge Association
4214 King Street West, Alexandria, VA 22302, 703/671-7575, fax 703/847-0310, NLBA@msn.com

National Rifle Association of America
11250 Waples Mill Road, Fairfax, VA 22030-7400, 703/267-1000, fax 703/267-3918, contact@nra.org

National Right to Work Committee
8001 Braddock Road, Springfield, VA 22160, 703/321-9820, fax 703/321-7342

National Taxpayers Union
108 N. Alfred Street, Alexandria, VA 22314, 703/683-5700, fax 703/683-5722

Nevada Policy Research Institute
PO Box 20312, Reno, NV 89515-0312, 702/786-9600, fax 702/786-9604

New Citizenship Project
1150 17th Street NW #510, Washington, DC 20036, 202/822-8333, fax 202/822-8325

New Coalition for Economic and Social Change
300 South Wacker Drive #601, Chicago, IL 60606, 312/427-1290, fax 312/427-1291

New England Legal Foundation
150 Lincoln Street, Boston, MA 02111, 617/695-3660, fax 617/695-3656

New Mexico Foundation for Economic Research
PO Box 1216, Albuquerque, NM 87103, 505/243-5400, fax 505/243-1700

New York Citizens for a Sound Economy
PO Box 469 Port Chester, NY 10573, 914/939-0067, fax 914/939-0174

Oklahoma Citizens for a Sound Economy
PO Box 2181, Edmond, OK 73083-2181, 405/330-4002, fax 405/330-3601

Oklahoma Council of Public Affairs
100 West Wilshire Avenue #C-3, Oklahoma City, OK 73116, 405/843-9212, fax 405/843-9436, ocpathink@aol.com

Oklahoma Family Policy Council
5101 North Classen Boulevard #307, Oklahoma City, OK 73118-4422, 405/840-3005, fax 405/840-4288

Pacific Legal Foundation
2151 River Plaza Drive #305, Sacramento, CA 95833-3881, 916/641-8888, fax 916/920-3444

Pacific Research Institute
755 Sansome Street #450, San Francisco, CA 94111, 415/989-0833, fax 415/989-2411, pripp@aol.com

Parents Rights
12571 Northwinds Drive, St. Louis, MO 63146, 314/434-4171

Partners Advancing Values in Education
1434 West State Street, Milwaukee, WI 53233, 414/342-1505, fax 414/342-1513

Pattern Research
PO Box 9845, Denver, CO 80209, 303/778-0880, fax 303/778-2680, lief@pattern.rmnug.org

Pennsylvania Family Institute
3544 N. Progress Avenue #104, Harrisburg, PA 17110, 717/545-0600, fax 717/545-8107, pafamily@aol.com

Pennsylvania Leadership Council
225 State Street #330, Harrisburg, PA 17101, 717/232-5919, fax 717/232-1186

PERC
502 South 19th Street #211, Bozeman, MT 59715, phone 406/587-9591 fax 406/586-7555, e-mail perc@perc.org. PERC is a nationally recognized research institute providing market solutions to environmental problems. The institute's research covers forestry, fisheries, Indian economies, land use, park management, pollution control, property rights, Superfund, water, and wildlife. PERC has also developed an environmental education curriculum that encourages critical thinking and realistic solutions to environmental problems. PERC's Web site is available at http://www.perc.org.

PERC
502 South 19th Street #211, Bozeman, MT 59715, 406/587-9591, fax 406/586-7555, perc@perc.org

The Philanthropy Roundtable
320 North Meridian Street, #908, Indianapolis, IN 46204-1725, 317/639-6546, fax 317/236-7370

Pioneer Institute
85 Devonshire Street, 8th Floor, Boston, MA 02109, 617/723-2277, fax 617/723-1880, 75374.643@compuserve.com

Privatization Research Organization, School of Public Affairs
Baruch College/City University of New York, 17 Lexington Avenue, New York, NY 10010, 212/802-5909, fax 212/802-5903

The Property Rights Foundation of America Inc.
PO Box 75, Stony Creek, NY 12878, 518/696-5748

Public Affairs Research Institute of New Jersey
212 Carnegie Center #100, Princeton, NJ 08540-6212, 609/452-0220, fax 609/452-1788, parinj@aol.com

Public Interest Institute
600 North Jackson Street, Mt. Pleasant, IA 52641-0135, 319/385-3462, fax 319/385-3799

Public Service Research Foundation
527 Maple Avenue East, 3rd Floor, Vienna, VA 22180, 703/242-3575, fax 703/242-3579

The Progress and Freedom Foundation
1301 K Street NW #650 West, Washington, DC 20005, phone 202/289-8928, fax 202/289-6079, e-mail mail@pff.org. Founded in 1993, The Progress & Freedom Foundation's mission is "to restore, to renew and to recreate America's sense of its future, a future woven inextricably with the ideas of progress and freedom." The Foundation is a private, nonprofit, non-partisan idea center organized under Section 501(c)(3) of the Internal Revenue Code. Its Web site is available at http://www.pff.org.

The Progress and Freedom Foundation
1301 K Street NW #650 West, Washington DC 20005, 202/289-8928, fax 202/289-6079, mail@pff.org

Reason Foundation
3415 South Sepulveda Boulevard #400, Los Angeles, CA 90034-6064, 310/391-2245, fax 310/391-4395, rich@reason.org

Rockford Institute
934 Main Street, Rockford, IL 61103, 815/964-5053, fax 815/965-1826, rkfdinst@bossnt.com

Rose Institute for State and Local Government
Claremont McKenna College, Claremont, CA 91711, 909/621-8159, fax 909/607-4288, anguyen@cmcvax.mckenna.edu

Science & Environmental Policy Project
4084 University Drive #101, Fairfax, VA 22030, 703/934-6940, fax 703/352-7535

Separation of School and State Alliance
4578 North First #310, Fresno, CA 93726, 209/292-1776, fax 209/292-7582, separate@sepschool.org

Sequoia Institute
3479 Beaver Ford Court, Woodbridge, VA 22192, 703/590-0496, fax 703/730-1156

Small Business Survival Committee
1320 18th Street NW #200, Washington, DC 20036, 202/785-0238, fax 202/822-8118, rstikes@sbsc.org

South Carolina Policy Council
1419 Pendleton Street, Columbia, SC 29201, 803/779-5022, fax 803/779-4953

Southeastern Legal Foundation
3340 Peachtree Road NE #2515, Atlanta, GA 30326, 404/365-8500, fax 404/365-0017

State Policy Network
816 Mill Lake Road, Fort Wayne, IN 46845-6400, 219/637-7778, fax 219/637-7779

The St. Lawrence Institute
PO Box 307, N.D.G. Station, Montreal, Quebec, H4A 3P6, 514/489-0312, sparkins@pharma1.pharma.mcgill.ca

Sutherland Institute
Independence Square, 111 East 5600 South #208, Murray, UT 84107, 801/281-2081, fax 801/281-2414

Tax Foundation
1250 H Street NW #750, Washington, DC 20005-3908, 202/783-2760, fax 202/942-7675

Texas Citizens for a Sound Economy
1005 Congress Avenue #910, Austin, TX 78701, 512/476-5905, fax 512/476-5906

Texas Public Policy Foundation
PO Box 40519, San Antonio, TX 78229, 210/614-0080, fax 210/614-2649, pppf@txdirect.net

Texas Public Policy Foundation
PO Box 40519, San Antonio, TX 78229, phone 210/614-0080, fax 210/614-2649, e-mail pppf@txdirect.net. The Texas Public Policy Foundation is a 501(c)(3) nonprofit, nonpartisan research institute guided by the core principles of limited government, free enterprise, private property rights, and individual responsibility. The Foundation's mission is to improve Texas government by generating academically sound research and data on major issues, and by recommending the findings to opinion leaders, policymakers, the media, and the general public.

U.S. Term Limits Foundation
1511 K Street NW #540, Washington, DC 20005, 202/393-6440, fax 202/393-6434

Utah Taxpayers Association
1578 West 1700 South #201, Salt Lake City, UT 84104, 801/972-8814, fax 973-2324

Virginia Citizens for a Sound Economy
PO Box 7551, Charlottesville, VA 22906, 703/863-8612, fax 703/863-8614

Washington Institute for Policy Studies
PO Box 24645, Seattle, WA 98124-0645, 206/938-6300 (800/546-4460), fax 206/938-6313, wainst@aol.com

Washington Legal Foundation
2009 Massachusetts Avenue NW, Washington, DC 20036, 202/588-0302, fax 202/588-0386

Washington Research Council
1301 5th Avenue #2810, Seattle, Washington 98101-2603, 206/467-7088, fax 206/467-6957, 71550.2021@compuserve.com

Wisconsin Policy Research Institute
PO Box 487, Thiensville, WI 53092-0487, 414/241-0514, fax 414/241-0774

Yankee Institute
117 New London Turnpike, Glastonbury, CT 06033, 860/633-8188, fax 860/657-9444

Tell Us What You Think, Get a Free Book.

At *Intellectual Ammunition*, we're committed to serving *your* needs. Let us know how we're doing. Please take a few minutes to fill out the survey below and fax it back to us at 847/202-9799.

To thank you, we'll send you a free copy of *Gridlock in Government*, a nonpartisan blueprint for fixing what's wrong with our political system.

~ *Intellectual Ammunition* ~

1. How many minutes did you spend reading this issue? ☐ fewer than 5 ☐ 5 to 15 ☐ 15 to 30 ☐ over 30

2. Will you keep this issue for future reference? ☐ yes ☐ no

3. Is *Intellectual Ammunition* a **useful** tool that you use in the course of your work? ☐ always ☐ usually ☐ sometimes ☐ never

4. Do you feel the information in *Intellectual Ammunition* is **reliable**? ☐ always ☐ usually ☐ sometimes ☐ never

5. Does *Intellectual Ammunition* address issues in a **timely** fashion? ☐ always ☐ usually ☐ sometimes ☐ never

6. Are there topics that should be regularly addressed in *Intellectual Ammunition* but currently aren't? If so, please list. ____________________

7. How could *Intellectual Ammunition* be improved? ____________________

~ *PolicyFax* ~

8. Have you ever used *PolicyFax* to request complete copies of the documents reviewed in the insert to this magazine? ☐ yes (go to question 9) ☐ no (skip to question 10)

9. If yes, would you use *PolicyFax* again? ☐ yes ☐ no
(skip to question 11)

10. If no, why not? ☐ never heard of it ☐ no fax machine ☐ not interested ☐ don't know ☐ other ____________

~ *The Heartland Institute* ~

11. How would you characterize The Heartland Institute's reputation among your peers? ☐ excellent ☐ very good ☐ adequate ☐ fair ☐ poor

12. How would you rate The Heartland Institute's overall performance? ☐ excellent ☐ very good ☐ adequate ☐ fair ☐ poor

13. Other comments ____________________

14. Can we quote you in future promotional efforts? ☐ yes ☐ no

Fax to **847/202-9799**. Or mail to **The Heartland Institute**, 800 East Northwest Highway #1080, Palatine, IL 60067.

The Heartland Institute
800 East Northwest Highway #1080
Palatine, Illinois 60067

This is your
PolicyFax
account number!

Non-profit organization
U.S. POSTAGE
PAID
CHICAGO, ILL.
Permit No. 4826